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JPRS-SSA-86-084

7 AUGUST 1986

# Sub-Saharan Africa Report

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7 AUGUST 1986

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INTER-AFRICAN AFFAIRS

WEST AFRICAN TEXTILE INDUSTRY RECEIVES INTERNATIONAL FINANCIAL AID

Frankfurt/Main FRANKFURTER ZEITUNG/BLICK DURCH DIE WIRTSCHAFT in German  
15 May 86 p 2

[Article: "West African Countries Build Textile Plants; Implementation of Projects Supported by International Aid"]

[Text] In the region of West and Equatorial Africa, investments for the construction of new textile plants or the expansion of existing ones have recently been projected or begun with international aid. This is the case in Senegal with the Societe de Teinture, Blanchiment, d'Appret et d'Impression Africaine (Sotiba-Simpafrik), Dakar, the largest textile enterprise in the country. The International Finance Corporation (IFC) of the World Bank group granted the concern at the end of April 1986 a loan of \$2.25 million to finance modernization and expansion investments.

The new Senegalese four-year plan (1985 to 1989) provides for nine textile projects with a capital expenditure of 37.6 million CFA francs (100 CFA francs = about 0.64 DM). The implementation of five projects had already been commenced in the previous plan period. Worthy of special mention is the project of the Societe Textile de Kaolack (Sotexta), Kaolack, which requires an investment of 20 billion CFA francs. Among the four new projects is the construction of a sack factory by the firm Sisac-Gardella which is to cost around 8 billion CFA francs.

In Guinea the first step in the completion of the Sanoyah textile complex near the capital, Conakry, was begun last year. German firms were substantially involved in the initial installation of equipment whose annual capacity amounts to 5 million meters of dyed and printed cotton fabrics. The contract for execution of the project had been awarded to the French firm Schaeffer Engineering, of Mulhouse, Alsace, and the Belgian UCO Engineering, of Ghent/Lederburg. The financing had been handled mainly by the European Development Fund.

In the Ivory Coast bids are being invited by the Societe des Textiles de Katiola (Katex), Katiola, for the construction of a new textile complex near the town of Katiola. The investment required for this project is estimated at around 32 billion CFA francs. The textile complex is to have a potential annual capacity of 15 million meters of blue denim cloth and 10 million bluejeans, and to be ready at the beginning of 1988.

The OPEC Fund for International Development in Vienna granted in August 1985 a credit of \$5 million for the construction of a training center for the textile industry. In Mali, where there is substantial cotton cultivation, the textile field consists of two large integrated textile complexes (Comatex and Itema) and a sack factory (Societe Malienne de Sacherie).

In Ghana, the heretofore state-owned Cotton Development Board (CDB), which was responsible for cotton marketing, was converted last year into the privately-owned Ghana Cotton Company. Seven textile firms were amalgamated into this new enterprise. They were Akosombo Textiles Ltd., Freedom Textiles Ltd., Tema Textiles Ltd., Akotex Textiles Ltd., the Ghana Textiles Manufacturing Company, the West Coast Spinning Company (Spintex) and Juapong Textiles Ltd. The government has agreed to lend support to the textile firms in their restructuring and to make available funds for the acquisition of new facilities, equipment and spare parts. The textile firms mentioned above, as well as the oil pressing firm Crystal Oil Mills, have a 70 percent share ownership in the new Ghana Cotton Company. The remaining 30 percent of the capital is retained by the government.

The International Finance Corporation (IFC) acquired in November 1985 an equity interest in the textile firm Cotonniere Industrielle du Cameroun (Cicam), in Cameroon, which is expanding and modernizing its plant. Cicam is among the projects being undertaken by the German Finance Company for Participation in Developing Countries GmbH (DEG), Cologne.

A new textile enterprise in Cameroon is the Societe Africaine Textile (Aftel), Douala, which produces finished articles of clothing. For its first year in business an output of 475,000 textile articles was planned, and for the second, 645,000 pieces.

The Societe Camerounaise de Sacherie, Douala, now has an annual capacity of 9 million jute, kenaf and roselle sacks for packing agricultural products such as cocoa, coffee, peanuts or rice, as well as 10 million polypropylene sacks for packing sugar, salt or fertilizer.

The African Development Bank in Abijan, Ivory Coast, granted a loan of 7.3 million Accounting Units (1 Accounting Unit = about \$1.07) in June 1985 to the Societe Textile de Kisangani (Sotexki), Kisangani, Zaire, to modernize and expand its textile factory, for which the total investment expenditure was estimated at 18.69 million Accounting Units. The International Finance Corporation (IFC) extended a loan of \$6.25 million and took an equity holding of \$528,000 in the capital of Sotexki. The project is aimed specifically and principally at the modernization of the weaving and processing plant, the expansion of the printing and finishing facilities and the acquisition of equipment, and is to be completed in December 1987.

In Zaire also, the Usines Textile Cotonnières de Kinshasa (Utexco), Kinshasa, the oldest and largest textile enterprise in the country, is modernizing and expanding its plant. Utexco had until now a capacity of 60 million meters of fabrics a year. The new investments are to be made in the framework of a five-year program (1986-1990).

In the Central African Republic, the textile complex of the former Industrie Centrafricaine de Textile (ICAT), Bangui, was merged in 1983 with the new Union Centrafricaine de Textile (Ucatex). Shareowners of Ucatex, which took the place of the state-owned ICAT, are a French group to which the textile companies Schaeffer and Texunion belong, with 51 percent, and the Central African Government, with 49 percent. The financing of the new project, which involves the starting up again of the textile complex, was shared by the European Investment Bank (EIB), of Luxembourg, the state-owned Caisse Centrale de Cooperation Economique (CCCE), Paris, and the Central African Government. The total investment is said to amount to 4.6 billion CFA francs.

12991/9835  
CSO: 3420/44

FRG TECHNICAL, FINANCIAL AID FOR WEST AFRICAN WATER PROJECTS

Frankfurt/Main FRANKFURTER ZEITUNG/BLICK DURCH DIE WIRTSCHAFT in German  
10 Jun 86 p 2

[Article by W. An: "West African Water Projects with German Technical Advice; Federal Government Provides Financial Help for Some Projects"]

[Text] German engineering consulting firms have been able to take part in new West African water management projects. They concentrate especially on water supply efforts in the countries of the drought-threatened Sahel area. The projects relate to rural areas as well as to cities. Contracts were also awarded for wastewater disposal and for irrigation of croplands (see also the report on German engineering consulting activities in West African countries in the 12 August 1985 issue). Among the German engineering consulting firms which have made commitments in several countries is H. P. Gauff Engineering Co Ltd of Nuernberg and Frankfurt, which was able to book new contracts in Mali, Burkina Faso (formerly Upper Volta), the Ivory Coast and Zaire.

In Mali, Gauff Engineering has been entrusted with the evaluation of proposals and construction oversight for a project concerned with assuring drinking-water supplies in the five cities of Kayes, Bougoni, Markela, Gao and San. The contract includes the training of operating personnel. Overall costs for the project, which is being financed by the African Development Bank of Abidjan (Ivory Coast), amount to around DM 33 million. In Burkina Faso, Gauff Engineering undertook preparation of request-for-proposal documents, completed construction plans, and construction supervision for the water supply of the two cities of Garango and Kombissiri. Financing for this project, costs of which are estimated at DM 2,615,000, has been provided by the Reconstruction Credit Institute of Frankfurt.

In the Ivory Coast, Gauff Engineering obtained the contract for producing a feasibility study on water supplies for nine western cities, aided by hydraulic, economic and technical research. The West African Development Bank is financing the project, for which costs of DM 7 million have been announced. In April 1986, there followed a further contract on a water management project in the Ivory Coast. This consists in particular of preparation of a feasibility study on water supplies for 25 cities, as well as completed construction plans, the preparation of an economic-efficiency study, production of

request-for-proposal documents and construction supervision on water supplies for some 15 cities. Completion of the work, which is being financed by the Reconstruction Credit Institute, is projected for May 1985 [sic]. In Zaire, Gauff Engineering was entrusted at the end of 1985 with full preconstruction planning of a project and preparation of the corresponding request-for-proposal documents. This project concerns drinking water supplies for the three cities of Isiro, Bunia and Goma. The work is expected to be finished in mid-1987. The African Development Bank is covering the financing for this project as well.

IGIP, the Engineering Corporation for International Planning Tasks, Ltd, of Darmstadt received new contracts in the People's Republic of Benin, Burkina Faso, Mali, the Ivory Coast, Cameroon and Togo. In the People's Republic of Benin, IGIP undertook as a consortium member construction planning for the city of Porto Novo's water supply. The preparation of a preliminary study on the water supplies of 15 communities was also turned over to this firm. It has also been engaged on the water supplies of 12 communities and the city of Natitingou. In the spring of 1986, the sponsor of these projects, the Benin Electricity and Water Corporation (SBEE) of Cotonou, held competitions for delivery of needed equipment and material. In 1985, the Federal Republic granted the People's Republic of Benin a subsidy of DM 24 million for district center water supplies.

IGIP, as a consortium member, is consulting on rural water supplies in Burkina Faso, while in Mali it is advising on rehabilitation of water supply systems. In the Ivory Coast, IGIP has become involved as a consortium member in sewage disposal for nine communities. The firm undertook consulting tasks on water supplies for Baham in Camerron and on water supplies for three communities in Zaire. It is also advising the government's supply enterprise, Regidesco, in Zaire.

In January 1986, the Federal Republic granted Togo capital assistance of DM 4.9 million for the construction of a central water supply system in Tchamba (population approximately 16,000) and the surrounding villages in the central region. IGIP was appointed engineering consultant firm for this project of the Togo National Water Agency (RNET) in Lome, completion of which is planned for early 1988.

The new area of operations of AHT (Agricultural and Hydraulic Technology Ltd), Essen, comprises the West African states of Mauritania, Mali, Niger and the Ivory Coast. The firm was included as a consortium partner in the irrigation of agricultural acreage in Mauritania. In Mali, AHT undertook consulting tasks on the rehabilitation of irrigated croplands. In the Republic of Niger, the preparation of a study on small-scale irrigation was turned over to this firm. In the Ivory Coast, AHT was entrusted as a consortium member with the elaboration of a study on irrigated rice production. Hydroplan Engineering Corporation Ltd, of Herdecke/Ruhr, has made commitments in Senegal, Niger, Liberia, the People's Republic of the Congo and Cameroon. In Senegal, Hydroplan provided technical assistance on maintenance of water supply systems as part of a joint venture. In the Republic of Niger, the firm has become active in a project for city sewage and for implementation of hygiene measures. It was assigned preparation of a study on irrigation in Liberia.

The firm undertook advisory tasks on the second phase of water supply efforts for rural cities in the People's Republic of the Congo. This phase involves the construction of a water supply system in Ewo (DM 4.3 million) and accompanying measures in the fields of hygiene and health (DM 1.8 million). In September 1985, the Federal Republic of Germany conceded capital assistance of DM 5.25 million for financing this project, which is to be completed in March 1988. In Cameroon, Hydroplan has been included in the development of rice cultivation with the help of irrigation.

GKW Consult Water-Sewer-Waste Technology Consulting Engineering Ltd of Mannheim booked new contracts in Mali, Niger, Nigeria and Chad. In Mali, GKW was given advisory tasks for water supplies and sewage disposal. In the Republic of Niger, GKW Consult also undertook preparation of request-for-proposal documents for a project, financed with German capital assistance, concerning the water supply of the city of Maradi. It includes, among other things, the construction of a water tower, expansion of the water distribution system, and provision of tap connections. In Nigeria, GKW Consult participated as a consortium member in construction supervision on immediate measures for wastewater disposal and in the preparation of a network study on the water supply of Lagos. In Chad, the firm undertook preparation of a water supply study.

Gitec Consult Ltd of Duesseldorf was awarded new contracts in Gambia and Senegal. In Gambia, a drainage project for the capital, Banjul, is involved. In Senegal, Gitec was entrusted with advisory tasks for the Nianga irrigation project, which is being financed with German capital assistance (DM 21 million). The Dr Walter Co Ltd International (DI WI), Essen, landed contracts in Mauritania and Niger. In Mauritania, the firm was involved as a consortium partner in rural water supply efforts, and in the Republic of Niger in a well digging project. In January 1986, the Federal Republic granted a sum of DM 3.5 million to the Central African Republic to finance water supplies in the communities of Paoua and Bocaranga, WPW Consulting Engineers of Saarbruecken undertook the preparation of a study for this project, which provides, among other things, for the installation of some 22 dug wells. In Senegal, GPG (Preussner Grombach Group) Engineering Offices of Hamburg were included in a project that is to be undertaken with German capital assistance. This is the first phase of the Fleuve region well building program, for which costs are estimated at DM 15.7 million marks. Deep wells (some 130 meters) are to be installed in 12 municipalities.

In Togo, Prof Dr Lackner and Partners Consulting Engineers Ltd of Bremen booked a new contract in connection with the third sectoral program for agriculture, water and power. The Federal Republic is financing this project with DM 12 million.

In the Ivory Coast, Beller Consult Ltd of Freiburg (Breisgau) was entrusted with the supervision of construction for a wastewater project in the capital, Abidjan. The firm also received the contract, in connection with a joint venture, for the preparation of a study on irrigation of rice cultivation areas. In Ghana, IP (the Institute for Project Planning Ltd of Stuttgart), was called in on the economic-efficiency calculations for a water management

project. In Ghana, Kocks Consult Ltd of Koblenz booked a consulting subcontract on the Cape Coast-Takoradi water supply. In Guinea, Dorsch Consult Engineering Ltd of Munich undertook consultation on the Koundara/Gaoual well digging program. In Liberia, Instrupa Consulting Ltd of Bad Homburg vor der Hoehe was engaged for a study on the rehabilitation of irrigated rice cultivation areas.

13070/9435

CSO: 3420/46

INTER-AFRICAN AFFAIRS

EAST AFRICA RECEIVES INTERNATIONAL AID FOR NEW HARBOR PROJECTS

Frankfurt/Main FRANKFURTER ZEITUNG/BLICK DURCH DIE WIRTSCHAFT in German  
5 Jun 86 p 2

[Article: "The World Pays, Africa Builds: New Harbor Facilities from Ethiopia Through Djibouti to the Seychelles"]

[Text] Since the last survey (Blick durch die Wirtschaft, 4 January 1985) new harbor projects have been started in the East African region, financed mainly with international help. This is the case in Ethiopia. The International Development Association (IDA) of the World Bank group granted to that country last April a line of credit of \$5.5 million for the financing of a project involving the improvement of the harbor in Assab and the financing of studies by the contracting body, the Marine Transport Authority (MTA), Addis Ababa. The total investment is reported to be \$8.5 million. The project provides mainly for the construction of wharves for tugboats and the elimination of narrows to increase productivity. The studies are designed to prepare the way for a further expansion of the Port of Assab. As engineering consultants the British firm of Bertlin & Partners, Redhill (Surrey) was engaged.

In mid-February 1985, in the harbor of Djibouti, a substantial container terminal costing around \$18 million was put into operation. It boasts two container cranes with a lifting capacity of 35 tons each. The Federal Republic of Germany approved a capital contribution of DM 7 million for the partial financing of this project. The Kuwait Fund for Arab Economic Development (KFAED) agreed to a credit line of 3.5 million Kuwaiti dinars (1 Kuwaiti dinar = about DM 8.5). The Arab Fund for Economic and Social Development (AFESD) and the French state-owned Fonds d'aide et de cooperation (FAC) also participated in the financing. The French state-owned consulting enterprise Bureau Central d'Etudes pour les Equipements d'Oute-Mer (BCEOM), of Paris, had undertaken the consulting contract.

The Italian firm Techint, of Milan, [completed] in the spring of 1986 the technical blueprints for a series of projects to be financed with the help of the Italian Development Fund (Fondi Aiuti Italiani-FAI). Among these is the improvement of the harbor of Boosasco on the Gulf of Aden. This is to include additional wharves and an unloading crane.

In Tanzania, at the beginning of 1986, the two Japanese firms Kajima Corporation and Mitsui Company Ltd. were entrusted with the construction of a container terminal in the port of Dar es Salaam. The value of the contract for them is reported as \$22.5 million. Specifically, the Japanese will refurbish three existing storage areas for container traffic, set up a container depot and build a warehouse. In the framework of a modernization program, provision is being made for the construction at a later time of a grain silo and the upgrading of eight other storage areas. To finance the modernization program, which is being carried out by the state-owned Tanzania Harbour Authority (THA), the International Development Association granted a credit line of \$27 million. The British firm Bertlin & Partners also got the consulting contract for the project in Dar es Salaam. The European Development Fund approved in the spring of 1985 an amount of \$7.3 million for the modernization of harbors on the islands of Zanzibar and Pemba.

In the island state of the Seychelles, a new fishing port is to be built in Victoria on Mahe during the course of the new Five-Year Plan. For the development of the fishing industry, expenditures totalling around 217.56 million Seychelles rupees (1 Seychelles rupee = about DM 0.42) are expected. For the new fishing port and the required infrastructure a dock 92 meters long for tuna fishing boats is being provided. Furthermore, fishing vessels are to be built and modernized in the new fishing port. The African Development Bank granted the Seychelles a credit line of 5.7 million Accounting Units (1 Accounting Unit = about US \$1.07) in mid-February 1985 for the improvement of the commercial port of Victoria.

In Madagascar international bids were invited in the spring of 1986 for construction and maintenance work in the modernization of the harbor of Manangareza and the port facilities in Toamasina (Canal de Pangalanes). The project is being financed with funds from the African Development Fund. The French port authority Port autonome du Havre took on at the end of 1985 the consulting responsibilities for the rehabilitation of Madagascar ports. In this project it is working with experts of BCEOM, mentioned above, and Sofremer. Besides this, Madagascar harbor staff are expected to be trained. In the framework of its ongoing investment programs (1984-1987) the government expects investments of 26.4 billion francs Malgaches (100 francs Malgaches = about DM 0.44) to be needed for harbors and shipping, 15.3 billion of it in the form of foreign exchange.

The Government of Mozambique is working on the modernization and improvement of its three deep seaports of Beira, Maputo and Nacala, which also play an important role as transit ports for the landlocked countries of Zimbabwe, Malawi, Zambia and Swaziland. The Republic of South Africa is interested in the port of Maputo in order to utilize it for the export of coal, sugar, steel and ores. For Zimbabwe the port of Beira has special significance, since for its rehabilitation and improvement a meeting took place in mid-April 1986 between representatives of the Southern African Development Coordination Conference (SADCC), to which seven nations belong, and those of western capital donor countries as well as international organizations. In the near future, expenditures of \$69 million are expected in the period

of 1986/87 for the rehabilitation and modernization of the railroad line to the interior. Over the long term, another \$135 million is to be invested in the improvement of the port of Beira and the rail line to the interior.

The European Community has already approved a contribution of \$40 million ecus (1 ecu = about DM 2.20). The Federal Republic of Germany gave Mozambique in November 1984 a capital grant of DM 23.6 million for the repair of 69 harbor cranes in Maputo, Beira and Nacala and for restoring the operational capability of the marshalling yard in Maputo. As the consulting firm for the crane repair the Hamburg Port Consulting GmbH (HPC) was engaged. The contract for the repair of the cranes itself was awarded to the Nuremberg plant of MAN Maschinenfabrik Augsburg-Nuernberg AG. The Deutsche Eisenbahn Consulting GmbH (DEC), Frankfurt, assumed the consulting contract for the Maputo marshalling yard. The DEC, moreover, became engaged in a project in Madagascar involving the acquisition of seven harbor tugs. Another German engineering consulting firm, the Port and Transport Consulting Bremen GmbH, Bremen, has become active in the Sudan, where it was engaged for the building of a school for port technicians.

12991/9835

CSO: 3420/44

MOZAMBIQUE

COMMENTARY DISCUSSES NEW RSA FIGHTER PLANE

MB171304 Maputo in English to Southern Africa 1100 GMT 17 Jul 86

[Station commentary]

[Text] The South African Government yesterday unveiled a new jet fighter plane, the Cheetah, which has been developed in secrecy. Predictably, State President P.W. Botha compared the aircraft's capability to that of the Soviet MiG-23, the implication being that South Africa faces a threat from the Soviet Union and, therefore, requires comparable weapons.

The reality, however, is that southern African countries which have MiG's in their air forces have never used them to attack targets in South Africa. Pretoria, on the other hand, has often used its warplanes to attack the Frontline States.

Just as predictable was P.W. Botha's description of the new warplane as his government's reply to the imposition of sanctions. The idea here is that international sanctions will not force Pretoria to change its policies because white South Africa is so resourceful and technologically advanced that it can always develop its own solution to problems created by sanctions. It can even, so we were led to believe, develop its own sophisticated jet warplanes without outside help.

Nothing could be further from the truth, however, and the sudden appearance of the Cheetah jet actually strengthens the case for international comprehensive sanctions against Pretoria. The fact is that South Africa relies heavily on external technology, components, and plants for its own industry. Ever since the first UN Security Council resolution calling for an arms embargo was adopted in 1963, Pretoria has boasted of its self-sufficiency in this field. When production of the Impala warplanes began in 1967, it was claimed that they were a genuine South Africa product. In fact, the Impala was the Aermacchi M.B. 326 made under Italian license. Most of the vital components were imported from abroad, including initially the Rolls-Royce engines. These engines were later manufactured in South Africa under license granted by an Italian firm which had in turn received the original license from Rolls-Royce in Britain.

There are dozens of other examples that demonstrate Pretoria's dependence on foreign technology for the expansion of its military strength capacity. There is no reason to believe that the Cheetah jet fighter is (?any different). It is an upgraded version of the French Mirage which South Africa began producing under license many years ago. The new development indicates the likelihood of clear breaches of the UN arms embargo.

Such breaches have secretly been made in the past by pretending that military materiel and technology being delivered to South Africa is actually for civilian purposes. This kind of camouflage would be much more difficult to apply if the international community imposed comprehensive sanctions against South Africa.

/6662

CSO: 3400/278

## MOZAMBIQUE

### DAILY EXPRESSES SIGNIFICANCE OF 16 JUNE

Maputo NOTICIAS in Portuguese 16 Jun 86 p 1

[Text] Today, 16 June, we celebrate the anniversary of two important events in our history: the massacre at Mueda and the creation of the metical. Now that 26 years have passed since the Mueda massacre, we can look with pride on the road we have traveled. The slaughter by which Portuguese colonialism attempted to silence our primary demand--national independence--served instead to galvanize our determination to seize it by the barrels of the guns of 25 September. The price of our independence was blood--and it did not come cheap. It was to preserve this spirit of determination that our national currency--the metical--was created on 16 June. This date was not chosen by chance. In having the creation of our currency coincide with the date of the anniversary of the Mueda massacre, our Party and government wished to pay homage to the determination of the Mozambican man--our greatest capital asset--which the metical symbolizes.

The 25th anniversary of the massacre at Mueda and the 6th anniversary of our national currency are events that are separated in time, but intimately linked by the force of history and the struggle for the political, economic, social, and cultural independence of the Mozambican people. Both events symbolize the struggle that the Mozambican people waged against colonial domination and the battle they are fighting today for economic emancipation and for the welfare of the nation and each individual in it.

The national currency, the metical, was created on 16 June 1980 as a tool that would energize national economic development. Its creation put an end to the circulation of the colonial currency--the escudo--in our country. At the same time, the creation of the metical signified the cultural liberation of the Mozambican people, since a currency also expresses the cultural values of the people who created it and use it. It was, in short, the highest expression of national independence and the sovereignty of the People's Republic of Mozambique.

While the colonial coinage bore in its history the virus of oppression, domination, humiliation, and the pillaging of our riches, the metical respects and promotes the development of the nation's economy.

In turn, the barbaric massacre at Mueda symbolizes one of the most important landmarks in the age-old resistance of the foreign oppressor by the Mozambican people. It was on 16 June 1960 that the officials of the Portuguese colonial regime answered with death the Mozambican patriots who "dared" to demand independence and liberty.

The Mueda massacre, in which more than 500 Mozambican patriots were savagely murdered, proved once again that oppressive regimes cannot halt the irreversible march of the historical process. The People's Republic of Mozambique is the most eloquent proof of this.

By way of explaining the myopia of oppressor regimes, we transcribe in the paragraph below the colonial report on the massacre at Mueda. The transcription was taken from the 18 June 1960 issue of NOTICIAS, from an account entitled "Foreign agitators in Macondes."

"According to information that was received yesterday from the Office of the Governor-General, we know that during a gambling session that took place at Mueda, the seat of the jurisdiction of Macondes, on the afternoon of the 16th of this month, some agitators who had come from Tanganyica stoned the administration building, trying to disrupt the card games. When the law enforcement officers arrived, the agitators withdrew, some of them having been attacked by native Portuguese."

The false account was published as a one-column item on the first page of the aforementioned issue.

Those allegedly said to have been "agitators" were actually thousands of Mozambican patriots who, tired of oppression and colonial exploitation, had approached the colonial authorities to demand an end to humiliation after several frustrated attempts to hold discussions with the oppressors.

Four days earlier, on 12 June 1960, the patriots Faustino Yanomba, Kibiriti Diwani, and Modesta Yssuf--representing all the residents of Mueda--had been granted an audience by the colonial administrator in Mueda. Not having reached any agreement on the list of demands submitted by the district population, the administrator told the three envoys to come back in 4 days, on the 16th, because he had to consult with the "boss" in Porto Amelia (now called Pemba).

So the event in question was not just an incidental gambling session, as the report by the Governor-General, in disparaging terms, tried to insinuate. Actually it was a meeting scheduled by the colonial authorities themselves to answer the legitimate demands submitted by the people of Mueda. Except that instead of the administrator going to consult the "boss," the latter, feeling threatened, came to Mueda in person, escorted by a heavily-armed platoon from the colonial army. The "law enforcement officers" were, in fact, the platoon commanded by Tito Livio Xavier, a lieutenant in the colonial army, who would subsequently be decorated for his "valuable services to the fatherland."

The 16th of June, which we commemorate today, is truly a date full of profound historical significance in our past and present struggle against our perpetual enemy.

MOZAMBIQUE

FUTURE MATH, PHYSICS TEACHERS VISIT GDR

Maputo NOTICIAS in Portuguese 17 Jun 86 p 2

[Text] A group of 11 second-year students from the mathematics and physics teacher training course at the Department of Education of Eduardo Mondlane University will travel to the German Democratic Republic on the 28th of this month. They will make a 30-day study visit to that socialist country, on invitation from the Physics Department of the University of Jena issued under friendship and cooperation agreements signed between the two institutions of higher learning. In order to be able to make the trip, the students have launched a campaign to raise the funds from companies, organizations, and individuals.

NOTICIAS learned of the trip from Jose Henrique Guivala, the representative of the group of second-year mathematics and physics teacher trainees from the Department of Education at Eduardo Mondlane University who heads up the fundraising campaign. He added that the group will conduct laboratory experiments during their visit which cannot yet be performed in this country.

The Mozambican students received the invitation in April and will be accompanied on the trip by a professor from the University of Jena who is presently lecturing at the Education Department of Eduardo Mondlane University.

Mr Guivala said that the fundraising campaign was necessary because the university department does not have a specific budget for this type of travel and because the trip is not within the annual plan of that institution of higher learning, "which is why we are conducting this campaign to raise money from companies, organizations, and individuals to pay for the air fares." He added that, after having contacted several private enterprises, organizations, and individuals, "we managed to raise 500 contos and we are still getting more support."

Mr Guivala specifically mentioned some of the contributions received. For example, Linhas Aereas de Mozambique gave them a 50 percent discount on each airline ticket. The list of companies assisting includes Construccoes Tecnicas, Transportes Cassamo, Moturs Baudoum, Indian Ocean Importers, Exportes Iptyl, Facoza, Loumar, Cervejaria Nacional, Restaurante Bico Dourado, Tudor, Nosso Cafe, and Modas Tigre. Individual

contributions were received from such persons as Salema Chibique, and Edith Cardoso. "With their contributions, we will be able to realize something that had been only a dream."

Our source made particular mention of support from Edith Cardoso, whom he described as pleasant and receptive. Mr Guivala said he contacted Ms Cardoso, "who works for Minerva Central and explained my problem, asking her to approach the directors of the company. For various reasons, Minerva Central could not help us, so she offered us 5,000 meticals and gave us some ideas of where we might obtain additional financing. We think this was a wonderful thing for her to do."

Guivala noted that "no one believed that we could raise the money, but we always believed that someone would be sympathetic. In fact, it was in this spirit that we even contacted vendors from the Xipamanine, Central, and Mazambane markets. Often they gave us small contributions, which, combined with others, add up to the sum we now have."

Speaking about the trip to the German Democratic Republic, our source said that the visit will make a great contribution to the students' professional training through the conducting of experiments in optics, which will take up most of their stay in the socialist country. He added that several visits to factories are planned as a way in which to link theory with practice "because physics is a science that is mainly based on experiments," he said in conclusion.

12830/13252  
CSO: 3443/248

MOZAMBIQUE

NETHERLANDS DONATION FOR DAY-CARE CENTER

Maputo NOTICIAS in Portuguese 17 Jun 86 p 2

[Text] The Van Leer organization, of the Netherlands, has donated construction materials to the COOP neighborhood of Maputo to be used in expanding the community's recreation area for children. Symbolic delivery was made last Saturday by Mr N.J. Van Ondenhoven, a representative of the organization who was visiting Mozambique. Also present--in addition to neighborhood leaders--were representatives of the Health Department of the City of Maputo and Joana Mangueira, National Director of Social Action.

A Portuguese company, Construtora Soares da Costa, will be in charge of the work and promised to complete it within 30 days, provided that all the necessary materials become available.

In delivering the materials, the representative of the organization explained that Van Leer has 150 groups of community assistance projects and that the COOP neighborhood is now one of that "family." The organization's purpose is to improve the lives of children. Van Ondenhoven stated that "we have learned an important lesson, because without the support of the community and the family, it is impossible to help the children." He praised the COOP residents for their support of the children of the zone.

The National Director of Social Action said that this is the first time that a day care center has been established for a neighborhood, although the Social Action Agency and various companies have many of these. She expressed the hope that this experience would spread to other neighborhoods.

The secretary of the COOP community said that the day care center was supposed to have been inaugurated on 7 April, but this was not possible because of a shortage of cement and paint. Initially the center will house 30 children--as indicated by the Health Department of the City of Maputo--and will employ seven people. He also said that a five-member parents' committee has been set up to monitor the operation of the day care center.

12830/13252  
CSO: 3442/248

DPCCN REPORT REVEALS HUNGER STILL THREATENS VARIOUS DISTRICTS

Maputo NOTICIAS in Portuguese 17 Jun 86 p 8

[Text] Nearly a million and a half people are still seriously affected by hunger in various regions of our country, according to the monthly report by the Department of Natural Disaster Prevention and Relief, DPCCN, which has been distributed in Maputo. The document, which covers April and May, reports that 402,000 of these people are living in Sofala Province, where the destabilizing effort carried out by the armed bandits--especially in the northern and central zones of the province--is one of the causes of the miserable situation in which the residents are living. Because of these criminal activities, rural residents are moving to the cities or the district headquarters in search of greater security. There, they have no means to support themselves. One example is the city of Beira, the provincial capital, which has 145,000 people that are in need of assistance. The district of Gorongosa, which until August of last year was the site of the main base of the armed bandits that was destroyed by the joint forces of Mozambique and Zimbabwe, reports 70,000 cases and Caia, another district in the north of the province, 43,000 cases.

The DPCCN report says that the situation in the affected areas is further aggravated by the weak internal supply network, as well as by the fact that floods along the Zambeze and other rivers that pass through the region have made access difficult. These population centers need emergency food aid (cereals and supplements), domestic goods, and other items.

In the Province of Tete, 330,000 people are "seriously affected" and need consumer goods, seeds, farm implements, medicines, blankets, soap, and other domestic goods even though there has been a "significant improvement in the drought situation in most of the affected zones since last year."

The district of Mutarara in the south of Tete Province, which was hit right after the prolonged drought by floods from the Zambeze river at the beginning of 1986, is considered the most seriously affected, with 110,000 needy persons. Next in line are the districts of Moatize (70,000), and Changara, (40,000), and the city of Tete, the provincial capital, with nearly 56,000 needy people.

Here, it is difficult to monitor the situation due to the massive influx of thousands of people who were forced to leave neighboring districts,

especially Caia, Chemba, and Marringue in the north of Sofala; Morrumbala, in Zambezia; and Tambara, in the Province of Manica. Making matters worse are the armed bandits who are obstructing the progress of aid that is being sent from the city of Tete by continually attacking convoys that are carrying supplies. The use of the Malawi route as an alternative would require availability of foreign exchange to pay the transit taxes.

#### Improvements in Tete

Giving an overview of the general situation in the province, the DPCCN in Tete said that "some improvements in the situation have been recorded," particularly in the districts of Moatize and Changara, but the rains that have fallen since this past March have probably damaged the crops in the latter area. In Moatize, "despite the plague of grasshoppers and birds that have devastated the area, the villages will have some products when this season ends within the next few months and so the number of people affected may decline."

Inhambane is one of the provinces considered to be in the best military situation. Roads connecting all points in the province are open, but 310,000 people are still feeling the effects of the prolonged drought in the interior locations, especially Inhassoro, in the north (70,000 affected) and Massinga, in the south (40,000 affected). Even so, some sporadic actions by bandits have hindered internal assistance efforts.

The DPCCN also states in its report that another 208,000 people are suffering effects of the disaster in the Province of Gaza. The district of Chicualacuala, in the arid region next to the border with Zimbabwe, is the largest in the province in terms of area and 60,000 of its 87,000 inhabitants are seriously afflicted by hunger. The prolonged drought that has ravaged this area for more than 5 years aggravated the situation that was created when the infrastructure was destroyed by Rhodesian aggressors during Zimbabwe's war of liberation.

Except for the drought-swept region north of the Limpopo River, the Province of Gaza is highly suitable for agricultural production, especially the Limpopo Valley, which is considered to be "the nation's breadbasket." However, the "insignificant quantities" of seeds distributed to the farmers of those regions by the DPCCN and other government agencies has meant that there is not enough surplus production to build up the stocks in areas hit by natural disasters.

A significant improvement in the situation, despite the fact that it is one of the regions most affected by bandit activities, has been recorded in the Province of Zambezia. The number of people needing help dropped from 1 million to 205,000 in the past 2 months. In this province, which traditionally is not affected by drought, rain has fallen regularly but the constant migration of residents in search of safety has prevented them from planting crops.

"People in the Province of Maputo are still living in a critical situation," says the report, which adds that as of May 1986 the number of persons affected was 120,000. Maputo is the southern province that has seen the most armed bandit activity, and this is the primary cause of the misery being experienced by its population.

#### Infiltration Corridor

The district of Magude, in the center of Maputo Province, is one of the main corridors in southern Mozambique used for infiltration by bandits coming from South Africa. It is from this region that the bandits extend their activities to other districts further south, such as Moamba, Manhica, and Maracuene. "During a recent armed bandit attack in the district of Magude, in the locality of Matsandzane, the criminals burned 160 houses and 37 barns and storage facilities. Now, more than 4,000 families (about 30,000 persons) have been affected by bandit activities in the district," says the report.

For all these regions, support from the government and the international community represents the only help. The Mozambican armed forces have continually mounted military actions to improve security in the areas affected by the criminal activities of the bandits, and to protect the supply lines leading to the interior areas. The DPCCN, through its provincial representatives and in coordination with the Ministry of Commerce and international organizations, has distributed food, clothing, seeds, farm implements, and other items to the residents insofar as such have been available. According to the DPCCN report, 332 tons of corn and 150 tons of vegetable oil donated by the Belgian government and another 3,000 liters of vegetable oil from the Christian Council of Mozambique are being distributed in the districts of Magude, Boane, Marracuene, Namaacha, and Matutuine. These districts still need more food, medicine, clothes, and seeds. Gaza, which has not suffered from the activities of the bandits, has already begun to receive part of the products from the Eduardo Mondlane Foundation in Alto-Changane, in the district of Chibuto.

Three settlement centers have been created in Tete Province and the DPCCN has made 2.5 million meticals available to finance a food production project. A "small projects" unit is expected to be created soon. It will have the support of the DPCCN and the Ministry of Commerce. The DPCCN report does not mention any food distribution work in this province, which ranks second in terms of needy people, and says that the province's truck fleet has been cut to 43 with the destruction of 7 trucks by the armed bandits.

The DPCCN stated that present levels of assistance can be maintained if the donor community "considers current food needs and does not wait until August or September" when the needs will become greater. "An example of this effort," it adds, "is the World Food Program, which recently announced that it would give, prior to those months, 12,000 tons of corn, 3,535 tons of dry beans, and 50 tons of soup."

12830/13252  
CSO: 3442/248

MOZAMBIQUE

NAMPULA GOVERNOR VISITS INSTITUTIONS

Maputo NOTICIAS in Portuguese 24 Jun 84 p 3

[Text] This month, The First Secretary and Governor of Nampula, Gaspar Dzimba, visited the Nampula Central Hospital, the Mozambique-North Railway, the Industrial Pedagogical Institute, the Middle Pedagogical Institute, and the First of May Pre-University School in order to understand the functioning of each of the institutions and the problems they face. Gaspar Dzimba spoke with the directors and with workers at each place.

The Director of the Railway, Rui Pereira, said that existing equipment transports passengers, commercial products, food products, and materials for export. They operate in Niassa, Zambezia, and Nampula, as well as in other countries such as Malawi, Zambia, and Zimbabwe.

The head of the carpentry section said that presently only ruined equipment if repaired, due to a shortage of wood, glue and nails. He also explained that much of the equipment is old.

Governor Gaspar Dzimba viewed some equipment that had been damaged twice in raids by armed bandits this year, and later the place where convoys had been attacked in 1984. He was told that one piece of equipment was beyond repair since the bandits had set fire to its gas tank in December 1984. The maintenance engineer, Daniel Ferreira, explained that repairs on another piece of equipment would cost 15 million meticals.

The director said that one of the most serious problems facing the company in repairing its equipment is lack of funds. The costs are greater than current income. He also said that the situation is worsening because lately they have been able to operate only the domestic lines; the Nampula-Cuamba line has been rendered inoperable.

Rui Pereira said that 18,000 tons of various products are halted along the railway lines. The products are equivalent to 452 freight car loads, of which 309, or 11,293 tons, are in domestic traffic, and 143 car loads, or 6867 tons, in international traffic. He also said that the cargo includes food products that may spoil or be stolen.

At the end of the visit, the Governor said that ways of protecting cargo along the lines will be studied, and individual responsibilities and work

norms will be defined. Gaspar Dzimba recommended that the corn problems be investigated, and that the Railway, the Criminal Investigation Police, and the Justice department be involved.

During the visit, the Governor also went to the Industrial Pedagogical Institute, the Middle Pedagogical Institute and the First of May Pre-University School. At the schools he was informed as to their functioning and their current problems.

The Governor told future graduates that they ought to learn well how to prepare lessons so as not to have problems with their students.

12857/9835  
CSO: 3442/253

MOZAMBIQUE

CABO DELGADO COTTON PRODUCTION RECOVERING

Maputo NOTICIAS in Portuguese 11 Jun 86 p 1

[Text] The small farm sector in Cabo Delgado may, in the current season, reach the best levels of cotton production in recent years. This fact, which is most likely to be achieved in the Montepuez district, could also partially compensate for the reduced production levels elsewhere in the state that resulted from the hundreds of hectares of cotton fields that were lost because they were not plowed. An important factor in the success in the agricultural sector is the incentives given by the state to small farms.

According to information given to our reporter in Montepuez by Gabriel Quirande, one of the individuals involved in the small farm sector, by the final week of last month more than 9,000 hectares out of a total of 10,000 had been weeded according to data provided by local harvesters.

Compared with last year, the agricultural campaign for small cotton farms achieved more than satisfactory levels. Last year 1,084 hectares were planted as compared with 10,000 this year. Gabriel Quirande confirmed that the increase resulted from efforts to intensify cotton production.

The attitude of the farmers toward production has proven false the sometimes public statements which have suggested that they have lost interest in cultivating cotton.

"However," says Gabriel Quirande, "insufficient support has been given to the little cotton that has been produced, and it has been lost in the fields due to inefficient marketing."

In contrast with what has happened in previous years, the support for the small farm this year began at the beginning of the season, and not at the end--at the marketing stage.

According to the director of the 400,000 Hectare Project, it was necessary to improve methods of communicating with and supporting the farmers in order to take full advantage of their productive potential in the vast areas of the Montepuez district and others.

In order to do so, production equipment and other incentives were given to the farmers at the beginning of the season, and the farmers committed themselves to cotton production. Among the incentives were clothing and electric batteries.

But according to Gabriel Quirande, the final results of the campaign are going to depend upon AGRICOM's efforts at bringing the cotton to market.

"If AGRICOM doesn't guarantee production bonuses, things are going to be very bad. First, we will lose credibility with the farmers, which will cause us to fail in the campaign; and second, much of the cotton will be left in the hands of the farmers," he said.

"The cotton produced in the private sector is good, and some part of it ought to be utilized for export purposes; this would partially compensate for the farming results supported by the state companies, which this year have been a disaster," said the director of the 400,000 Hectare Project in Montepuez to our reporter.

The private sector producers cultivated 710 hectares of cotton. According to Augusto Jose, one of the private producers, the production rate is not bad: 1 ton per hectare. He affirmed that this year the communication and support provided by the state was better than in years past.

"But there are some painful truths," said Augusto Jose. "We feel that the state ought to pay more attention to the private sector, because of all that they demand after production. We never lose money. What farmer wants to lose his investment? We always show a profit. If you support us, we will produce."

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CSO: 3442/253

MOZAMBIQUE

NEW FISHING ENTERPRISE CREATED IN NAMPULA

Maputo NOTICIAS in Portuguese 11 Jun 86 p 2

[Text] A new business entity, Tubopesca, will open its doors on 1 August in Moussuril, Nampula. Tubopesca was authorized to operate in the zones of Chocas, Lunga and Mongicual by the outgoing governor, Feliciano Gundana, on 26 July 1985.

The installations of the new business occupy 360 square meters on a 1-hectare lot. A warehouse, an office, storage space for parts, two 30 cubic meter refrigerators, a canning plant of 40 cubic meters, and a bathhouse for the fishermen have been built. The cost of the construction materials was approximately 6 million meticals.

A fenced-in area next door contains a motor repair shop and other fishing equipment. There are two fish processing rooms, 2500 square meters for fish dryers, an all-purpose area and a water storage area with a 25,000-liter capacity.

Tubopesca owns refrigerator equipment bought from ENAFRIO in Maputo for 850,000 meticals, waranteed for 1 year from startup. They also own a Toyota truck and a fiberglass power boat of the NP1 type with a Volvo Penta 10422 motor bought from PESCOM in Nampula.

Tubopesca will engage in five different types of fishing operations: drawstring nets, mesh nets, submarine, hook-and-line, and "palngre". The head of the recently created organization, Helder Meneses, guaranteed that this operation will do away completely with the speculative practices and prices previously used in Moussuril. He explained, "We are going to set up sales places located at the direction of the district authorities."

In order to achieve its objectives, Tubopesca has acquired two NP750 or NP 950 boats equipped with 6-ton motors for drawstring and high seas operations, two NP1 boats, and one fiberglass boat for submarine and hook-and-line fishing operations.

Tubopesca needs 10 harpoon guns and 10 harpoons for submarine fishing, and four air tanks with lines for the fishermen who will place the nets,

300 kilograms of Pl polyethylene net, and a motor generator with a 20-25 KVA capacity. This equipment has not yet been acquired, according to Helder Meneses, although it has been officially ordered.

The company currently employs 45 fishermen experienced at various types of fishing operations. They will hire 25 more as soon as the projects, halted at the moment for lack of cement and iron, are completed, and fishing operations are fully under way. They have two mechanics, one warehouse foreman, and two office workers.

12857/9835  
CSO: 3442/253

MOZAMBIQUE

BRIEFS

SOVIET DELEGATION VISITS PRESS--The delegation from the Communist Party of the Soviet Union visited the offices of the newspapers NOTICIAS and DOMINGO in Maputo yesterday afternoon. Earlier the delegation had visited other national information media, namely Radio Mozambique, AIM, the magazine TEMPO, and Experimental Television. For about an hour and a half the delegation from PCUS, headed by Pavel Petrik, Secretary of the Communist Party of Moldavia, visited the offices of the two newspapers and talked with management representatives. The delegation was escorted by Major General Bonifacio Gruveta, member of Frelimo, and head of party's ODM's. The visitors were received at the Newspaper Society by Mario Ferro, chief editor, Henrique Costa, manager of the offices, Ferdinando Mendes, administrative head, and Francisco Assis Laice, Cell Secretary of the Frelimo party. The picture shows the Soviet delegation observing the operation of an electronic compositing machine which was restored to operation last week after being idle for 12 years. The operational status of the machine is the result of an ongoing program of equipment repair and infrastructure improvement at the newspaper; improvement in work conditions, begun at the beginning of the year, is also showing visible results. [Text] [Maputo NOTICIAS in Portuguese 11 Jun 86 p 2] 12857/9835

CSO: 3442/253

1986-1987 ARMED FORCES BUDGET DETAILED

Paris AFRICAN DEFENCE JOURNAL in English Jul 86 pp 80, 81

[Text:]

Opening the debate, commission chairman Demba Koita, before turning the floor over to the minister, congratulated the latter on the confidence that the President of the Republic had again renewed in him and extended his best wishes for the continued health and success of Minister Fall, his staff and his valiant Senegalese soldiers.

In his response, Minister Medoune Fall praised and thanked the national assembly for its ongoing support. He then took up the examination of the draft budget, prepared with the Ministry of Economy and Finance to conform to decree 6085/MEF/DGD/DB of October 28th, 1985 concerning preparation of the operating budget for fiscal 1986-1987. The budget totals twenty eight billion six hundred and seven million, one hundred seventy-nine thousand CFA francs (28,607,179,000), or 13.8% of the state operating budget. This compares with 28,379,708,000 francs for the current fiscal period (1985-1986) for an increase of 227,471,000 CFA francs in absolute value and 0.80% in relative value. This budget can correctly be called an austerity budget, and was scheduled to begin on July 1st of this year.

Credits requested are broken down as follows : chapter 321 (personnel) : 20,797,347,000 CFA francs; chapter 322 (equipment and materiel) : 7,258,588,000 CFA francs; chapter 323 (maintenance) : 451,000,000 CFA francs; chapter 324 (transfers) : 100,244,000 CFA francs.

**Personnel expenditures**

Personnel expenditures were increased by 227,029,000, an increase of 1.10%. A total of 120,197,000 francs (0.58%) is allocated to recruiting of gendarme-trainees and 106,832,000 CFA francs (0.51%) the return to national service of the 1st confederal battalion. It was noted that it is unfortunate that there has been a reduction in personnel in the administrative building management division resulting in a progressive paralysis of this widely used public service. It has been necessary to call on non-contractual personnel for teaching of classes at the Thies polytechnical school to replace Canadian teachers. Non-contractual personnel have also been hired in this same school for secretarial and typing work, as have specialised workers. Also, for the past 3 years, civilian personnel having retired, been fired or resigned from their armed forces or gendarmerie positions have not been replaced.

**Equipment expenditures**

In a world where technology is evolving at a dizzying pace, it is indispensable to upgrade and adapt facilities to the worldwide strategic security and defence situation. This is difficult and extremely costly, especially for a small developing country. There is a minimum that is indispensable, vital and urgent, however, even if one is limited to the replacement of certain arms and vehicles that have reached the end of their service lifetimes, in order to assure on-

going training and efficiency for the Senegalese Armed Forces. This chapter, despite the pressing needs, shows no new measures; an adaptation to ever-rising costs is required. The carryover of last year's sums was, however, accompanied by a minimal re-evaluation totalling 442,000 francs, a sum certain participants labelled "derisory". Members of the commission expressed their regret with regard to this state of affairs. While it may not be possible to incur enormous expenditures there is a minimum that is required to replace certain armament and vehicles that have reached the limit in terms of utility and repairability.

#### **Maintenance expenditures**

Certain buildings used by gendarmerie brigades are in danger of collapsing. It is urgent to repair them to avoid further deterioration that will prove even more costly. Part of the engineering hardware needs replacement. Despite this, the section shows that current levels have been carried over across the board.

#### **Transfer expenditures**

These expenditures cover subsidies of 36,256,000 francs and 4,840,000 francs for veterans and war victims and for trainees in Bingerville (Côte d'Ivoire) and Ouagadougou (Burkina Faso). For the foreign trainees, funding of 59,148,000 francs is accorded. This chapter simply reproduces the previous budget and was voted without comment.

To sum up, the minister stated that the portion of the amount targeted for recruiting of trainee-gendarmes would also be equal to that in the previous year's budget.

Following this clear presentation the commissioners thanked the minister and unanimously expressed - while noting their understanding of the difficulties linked to the current economic situation - their sharp concern regarding the severe restrictions in personnel, armament and logistic facilities. These restrictions could, despite the high morale that reigned in the country's armed forces, compromise their ability to react and counter certain situations.

They asked the minister to convey to the armed forces the congratulations of the national assembly for their exemplary conduct, their high morale, their sense of duty and their remarkable showing during the parade marking the 26th anniversary of the country's independence. Lastly, they stated their satisfaction with the work of the gendarmerie in rural areas. This work was worthy of praise in all aspects despite the limited resources available. This, they went

on, was also the case for the navy, which protected the Senegalese coastline. The members of the commission then put a number of questions to the minister of the armed forces.

#### **Camp Bakel**

Once again, the members of the commission expressed their concern that work had not proceeded at Camp Bakel, this despite the credits that had been regularly voted for the past four years in the equipment budget without having been released by the planning ministry.

The minister explained that the President of the Republic, aware of the problem, had decided to have the first portion of funding released this year (100,000,000 francs) for building construction. Comparable sums should follow each year until the camp had been fully realised.

#### **Faleme enclave**

This at one time inaccessible zone has long been the refuge of heavily armed poachers who decimated the rarest species among Senegalese wildlife. The members of the commission had continually called to the attention of the government the need to improve access to this remote area in order to provide for better surveillance. They noted with satisfaction that the bridge across the Faleme river had been completed, enabling closer monitoring of this zone. They extended their congratulations to the army corps of engineers through the minister, as they did for the Kheun work.

#### **Thies polytechnical school graduates**

These graduates had had great success on the job market, and their employers continued to express full satisfaction. The previous year, the commission had expressed shock at discovering that EPT graduates had been unable to find employment. They had asked the minister to report on the measures taken to remedy this situation. The minister replied that Senegalese graduating classes had been cut in half and that this year, no EPT graduates had sought work with the defence department. He further specified that a military career had been offered to two graduates.

#### **Thies air base**

The commission again brought up the problem of returning this joint Franco-Senegalese base to service. The minister indicated that this project had been delayed somewhat due to a dispute regarding the management of the applications training school, which was to be Senegalese. The matter had now been resolved as the competence of the Senegalese officers assigned to head this school was now recogni-

sed. Capable instructors, in keeping with government policies, were to be recruited abroad.

#### **Radio operators**

The commission expressed surprise at the cut in staff from 16 to 5 operators. The minister replied that radio operators served both the office of the president and the armed forces ministry. "Rest assured", he stated, "any lack in operators will be covered by the office of the president."

#### **Buildings**

Saint-Louis, the buildings at the former RTC and the northern camp were all in ruinous condition. If the army did not have the means to repair them why didn't it turn them over to civilians who would take care of repairs and maintenance, asked the members of the commission? The minister replied that the buildings at the Saint-Louis camp had not all been assigned to the army and that those that had been abandoned were not under the responsibility of his ministry. Nevertheless, 50% of the officers still had no quarters and a co-operative was being formed. This would enable them to acquire their own living quarters. Their living allowances would be paid to the co-operative to replace the fees required.

#### **Sports battalion**

The commission expressed its great pleasure at the creation by decree of a sports battalion and congratulated the mi-

nister on this initiative. They stated their conviction that sports in Senegal could not develop without support from military, secondary education and university sports formations. They suggested that the minister take advantage of the UASSU championship to recruit promising candidates. They also supported the idea that the sports battalion become a training academy. The minister thanked them for their support and noted that the sports battalion had been created with part of the general staff allotments and that this sum remained insufficient to set up a training academy. However, the battalion was active in all sports, although results varied due to the means of recruiting used. Members of the battalion remained with it only temporarily (2 years). Furthermore, they were soldiers first and athletes second and thus obliged to perform the different training duties along with the rest of the soldiers.

In conclusion, the minister pointed out that in the world today, the rate at which technology was evolving and weaponry being modernised was so fast that it was difficult and costly for a developing country to keep up. Nevertheless, he went on, the Senegalese chief of state was keenly aware of the problems facing the nation and particularly its valiant armed forces. Ongoing measures would be taken with regard to compensation for military personnel and optimising their workload.

/9317  
CSO: 3400/294

SOMALIA

BRIEFS

REFUGEE FIGURES--Jean-Pierre Hocke, the new United Nations High Commissioner for Refugees, managed in a five-day visit to Somalia to persuade Mogadishu of the need to move the Togwajaleh refugee camp, something which they had hitherto refused to do. Some 80,000 Ethiopian refugees have been crammed into Togwajaleh in extremely unhealthy conditions in recent months after fleeing from Addis Ababa's villagisation programme. Epidemics of measles and relapsing fever have been the cause of numerous deaths in the camp. A UNHCR official told THE INDIAN OCEAN NEWSLETTER that there are no plans to set up a tripartite commission of the UNHCR, Ethiopia and Somalia, or to repatriate the new refugees, who are mainly Oromos and ethnic Somalis. The repatriation programme for the refugees from the Ogaden war, concerning some 300,000 people, also seems to have come to a standstill. Somalia claims to be sheltering a total of 850,000 refugees at present. [Text] [Paris THE INDIAN OCEAN NEWSLETTER in English 5 Jul 86 p 3] /9317

CSO: 3400/294

PUBLIC SECURITY RESTORED, ECONOMIC POLICY STILL LACKING

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 8 Jul 86 p 3

[Article by Guenter Krabbe: "The Ugandans Are Disillusioned--They Are Not Embittered"]

[Text] The unskilled worker in the factory, the porter in the market, the office messenger at the ministry work 8 or 9 hours a day, 6 days a week and receive some 6,000 schillings at the end of the month. This is the level to which the government of the East African country of Uganda had raised the minimum wage 2 years ago; and things have remained that way. However, prices have run away. If prices more than double within a month, if they increase 10-fold or 18-fold during the course of a year, then it does not make a lot of sense to compute a rate of inflation. In actual fact then, it doesn't even make sense to work.

Six thousand Ugandan schillings are worth \$1.20 today or perhaps DM 2.65. A bunch of cooking bananas, the basic food for Ugandans such as rice or bread, potatoes or cornmeal elsewhere, costs 10,000 schillings in the market in the capital city of Kampala and lasts a family of five persons 2-3 days. A kilogram of fish costs 4,500 schillings, a kilogram of soup meat 3,500 schillings, a pineapple goes for 1,800 schillings. Sugar, the most important source of energy when one cannot afford fat or meat, costs 12,000-15,000 schillings per kilogram.

How can the people live on this amount of money? The reporter pays \$99 per night in his hotel which is a lower middle class establishment, but which is considered to be the peak of luxury in Uganda. The room boy who sweeps and makes the bed and receives the minimum wage would have to work almost 7 years for this amount. The better-paid waiter would have to work 2 months to earn this amount. He earns 18,000 schillings a month, as much as a policeman. What can one expect from a policeman who cannot even keep his family above water for a week on his monthly salary? Will he arrest a thief or would he rather let him go for a share of the booty?

"What shall I do," asked a department chief in a ministry of this reporter, "if my office messenger steals a package of carbon paper and sells it in the city? Naturally, I yell at him. But is he a criminal? The man stares at me and asks: 'Bwane, jinsi gani? How was that, sir?' And, in truth, how is he

to come to grips with his wages--how is he to live?" And so the department chief lets the miscreant go. But the carbon paper is not locked up in future because, for 15 years, the lock has been missing from the door. Incidentally, the department chief receives a high salary. It is equivalent to that of the chief physician in a government hospital. The doctor in a mission hospital receives less.

No one can explain to this reporter why the people even work for such wages which one would not dare to give as a tip elsewhere. But they do it. Perhaps they want to assure themselves of a job against the time when things will again improve. They are not without roots and tied to city life. Like all cities in East Africa, the first-generation residents of Kampala either themselves came from the land or are children of new migrants. They all still have relatives in the villages, most still have their shambas, most still have their small acreage, many still have their wives in the country to till the fields. They could return at any time and would have sufficient food to eat. No other country in East or Central Africa is as fruitful as Uganda and no country on the entire continent is so well provided with water. In fact, thousands upon thousands retreated to the country and into the bush when the despotic Idi Amin devastated the city economy--the factories, trade, the administration--and when his military broke into the houses and apartments with murder in their heart. When, under the next dictator Obote the military burned the villages and also slaughtered the people on the land, many returned to the city. There they now hoped that the economy would recover and that life would become easier once more.

But will it become easier? The new regime of guerrilla leader Museveni is still completely occupied with establishing itself following the long civil war. Armed groups which have not become reconciled to their own defeat or, better said, have not become reconciled to the victory by the Museveni group, still exist. In the Karakomja region, what comes out of the Kalaschnikov is more the law of the land than ever before. Although the political parties have been obligated to stand still and to be silent in return for being able to send powerless ministers to serve in the cabinet, the maneuvering continues beneath the surface, even more than before. Journalists, officials, soldiers, and constantly new groups are ordered by the regime to attend political seminars where the new thinking is to be imparted to them.

Thus far, the regime has not taken any time to develop an economic policy. No one knows what the course will be, whether the regime will actually favor any kind of socialism or whether it will give the people economic freedom. Not a single businessman has yet begun to rebuild his establishment or his enterprise or even to make new investments. Abroad, the enthusiasm over the down-fall of Obote and the reestablishment of public security has dissipated; developmental aid is missing. Museveni has been in power now for half a year, but has not brought the better life. Ugandans are disillusioned, very disillusioned. But they are not embittered. They have even found their friendliness and politeness again--something which had been abandoned for 20 long years. The fact that shooting is not heard every night and that people no longer disappear, villages no longer burn, the fact that murders and assaults are no longer done by the military but by completely ordinary robbers--this is worth a lot to them and permits them to tolerate this intolerable life.

5911  
CSO: 3420/47

POLICE ARREST 'UNDISCIPLINED' SOLDIERS

Blantyre DAILY TIMES in English 20 Jun 86 p 7

[Text]

**KAMPALA.** Military indiscipline, the bane of everyday life in Uganda for decades, has reappeared in Kampala, where troops have started driving army vehicles on unofficial errands and shooting unnecessarily at criminals.

The commander of the government's National Resistance Army (NRA), Elly Tumwine, said in a statement that the military authorities had arrested trigger-happy soldiers and rounded up 10 army vehicles moving without orders.

The NRA of president Yoweri Museveni, which swept into Kampala in January has had a reputation for discipline and respect for civilians.

**Burglary**

Commander Tumwine said burglary and car theft had also returned to the city suburbs over the last two days despite an extensive crackdown on crime earlier this month.

Twenty suspects have been arrested and four guns with ammunition confiscated in a new campaign to combat the resurgence, radio Uganda said on Sunday.

**Detainees**

Forty other detainees were still in custody last Thursday after the earlier week-long police and army operation which netted 1,390 rifles and 43 unregistered vehicles.

Tumwine said the authorities were taking serious steps to stamp out crime and appealed to the public to come forward with information on any criminal activity.

"Criminals are definitely going to be dealt with ruthlessly and the public will be kept informed all the time," he added.

Police said armed men stole seven cars since Thursday night. In each case, soldiers had opened fire in attempts to stop them. — Reuter

/9317  
CSO: 3400/303

SWEDISH AID AGENCY RECOMMENDS EMERGENCY ASSISTANCE

Stockholm DAGENS NYHETER in Swedish 14 Jun 86 p 15

[Article by Peter Bratt]

[Text] SIDA [Swedish International Development Authority] wants to give Uganda nearly 30 million kronor in immediate aid. Most of that amount is earmarked for transportation to get the war-devastated country back on its feet. According to SIDA, this would help the Ugandan Government achieve national reconciliation.

The situation in Uganda has changed drastically this year. The previous military regime was overthrown by the liberation movement known as the NRM [National Resistance Movement] under the leadership of the current president, Musaweni. His forces captured Kampala in January, and by April the NRM was in control of the entire country.

"Law and order seem to have been established within a short time following 15 years of conflict and terror," says SIDA in its proposal to the Swedish Government, which is expected to decide in a couple of weeks to grant the aid.

According to SIDA, the most important step in the short term is to begin the transportation of foodstuffs from the country's southern and western areas to the capital, Kampala.

Reconciliation

If the government is to bring about rapid reconciliation among the various ethnic groups and thereby lay the foundation for lasting and permanent peace, there must be rapid material improvements. This means that transportation--trucks and fuel--must be improved immediately.

SIDA is therefore recommending that 10 million kronor be channeled into the transportation sector through the SCC [Swedish Cooperative Center], which is the aid organization of the KF [Consumer's Cooperative Union]. The rest of the aid will be used mainly to assist refugees and provide clean water and functioning sewers. The latter assistance will be provided through private Swedish organizations and the United Nations.

The Ugandan Government has turned to Sweden and asked for help. President Musaweni's family--his wife and children--lived in Goteborg until a couple of months ago, when they were able to return to Uganda. The minister of health was in Uppsala just recently and returned home with his family, which had been granted refugee status in Uppsala.

Regular Aid Recipient?

Should this effort be viewed as the first step toward adding Uganda to the list of countries regularly receiving Swedish aid?

"There were plans in the early 1970's to make Uganda a regular recipient of Swedish aid, but they fell through, of course, when Idi Amin came to power," says Bo Stensson, who is head of SIDA's Disaster Office, which handled the proposal for aid to Uganda.

Bo Stensson says: "It is too early to say what will happen in that connection, but it is clear that this is a quite extensive effort. It all depends on the political intentions within the Swedish Government."

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CSO: 3650/244

## KAMPALA SEEN FACING LONG TERM WATER SHORTAGE

Kampala WEEKLY TOPIC in English 25 Jun 86 pp 1, 16

[Text]

Kampala residents may go thirsty for yet a long time, unless the National Water and Sewerage Corporation (NWSC) devises a system of pumping an extra 17 million gallons (about 58 million litres) of water into the capital city and its suburbs.

Presently, Kampala City boasts more than 700,000 residents, who, according to the Managing Director of NWSC, Mr. H. Onek, are supposed to be consuming a total of 32 million gallons (about 121 million litres) of water daily. But unfortunately, the Gaba Water Works can only pump a miserable 15 million gallons (about 50 million litres) which is often on and off.

The water and sewerage system throughout Kampala City and the suburbs need complete overhaul due to neglect by the past governments.

Kampala water mains run for a total of 300 km, and most of these mains have broken down completely. The system should have been replaced or altered over the last 15 years but due to mismanagement and political chaos nobody cared to do repairs.

An additional pumping station with a 15 million gallons (about 50 million litres) installed capacity to boost the ever increasing population was said to have been recommended by the World Health Organisation (WHO) report of 1972-74 but was neglected by the Amin regime.

Reacting to the water shortage in the city and its suburbs, Mr. Onek blamed the past regimes for lack of adequate attendance to the water system.

"For 20 years, the water system was neglected and as a result machines and pipes wore out. The chlorine to kill germs in water and other chemical action affected the steel pipe system. The pipes got corroded with time and the corporation had no spare parts to replace them," he explained.

Gaba Water Works was supposed to have been updated by 1971 and expanded to meet the present demand. The amount of water now being supplied to Kampala (15 million gallons per day) is said to be a pre-1971 capacity.

While between 1971 to date the population has increased, there has not been any additional increase in water supply. Besides, most of the water appliances in some houses (especially Custodian Board premises) have been rotting and with no replacement. Most pipes are blocked and clogged. Even the little water pumped either find it hard to reach the consumer or flow freely through burst pipes.

Another reason causing shortage of water in the city was said to be the fluctuation in electricity supply, and at times complete power failure. Gaba water works use big pumps of 150-250 horse power that need a lot of power. And with fluctuating electricity, it interrupts the normal water supply.

However, the corporation, inspite of the current constant electricity power cuts has not bothered to procure a standby generator at Gaba works. It was learnt that a loan is now being sought to buy a generator.

**On the rehabilitation of the existing water and sewerage system** Mr. Onek said that the corporation was still executing the first phase of the World Bank rehabilitation project of the national water system.

The programme will involve laying a new pumping main from Gaba to Muyenga, a trunk main from Muyenga to Naguru, along Jinja Road to Nakasero and onwards and updating the existing booster stations around Kampala.

The project was scheduled to end by July 1987 with the 1st phase, but due to the intervention of wars it has been set back the project by 5 months. The phase is therefore likely to be completed by the end of that year.

The Managing Director, was pessimistic that even after the completion of the 1st phase, the supply of water would not meet the present higher demand. He envisaged the output to increase by about 30-40 percent.

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CSO: 3400/303

## COMMENTATORS DIFFER ON NATION'S FIVE-YEAR PLAN

### People Take Second Place

Gweru MOTO in English No 46 pp 5-6

#### [Text]

THE first thing that strikes one about the FFNDP is its modest targets:

- (a) The anticipated growth rate is 5,1% p.a. compared with 8% in the last Plan.
- (b) The number of people to be settled on land is targeted at 15 000 families each year, compared to 54 000 families in the Transitional Plan.
- (c) The total formal sector employment to be generated during the five-year Plan period is anticipated to be a modest figure of 144 000, that is, an average of 28 800 jobs a year. This is a far cry from the 85 000 school leavers seeking jobs last year rising to probably 120 000 by the end of the Plan period.

One must be forgiven for asking the question: what is the point of "planning" if the Plan only caters for a small percentage of the nation's population? Does it mean that all the others not provided for in the Plan must "plan" for themselves? Let us put this in more concrete terms.

Nobody has carried out a precise estimate of how many people in Zimbabwe need land and resettlement. At a guess, one would say that the long years of colonial deprivation and the ensuing war of liberation had left at least a million families in need of more or better land. Since independence, however, only about 40 000 families have been settled.

If the Government manages to settle an additional 75 000 families in the next five years, as provided for in the Plan, the total number of families settled in the first ten years after independence would be 115 000 families. This is barely 11,5 percent of the at least million families who we estimate need land and resettlement.

Similarly, if we now look at those seeking formal employment, we estimate that over the next five years there are likely to be at least 500 000 school-leavers alone looking for jobs. Add to this the officially recognised back-log of 255 000. If we add to these another 250 000 (very conservatively estimated) who will be forced out of the communal areas trying to seek jobs in the urban centres, we have a total of a million people seeking jobs in the next five years. Against this, the FFNDP promises to find jobs for only 144 000, that is about 15% of the million job-seekers.

In other words, there is something seriously wrong with the whole "planning" concept of the Ministry of Finance and Economic Planning, for, by its own admission, it cannot "plan" for more than 10% to 15% of the most significant sections of our population. For the remaining 85% to 90% of the population, the Government will provide some kind of infrastructure, such as schools, roads and farm inputs, but to all intents and purposes they must look after themselves.

The fact that the Plan can provide for only a small fraction of the population is not surprising, for it takes not a "people-oriented" approach to planning, but a "production-oriented" approach to it. In other words, instead of asking how the 8,5 million people of Zimbabwe can best employ themselves in creative and productive work, the Plan sets out "production targets" and on that basis it has determined how many people can fit into those targets.

Development is seen as some kind of a "technical" process, and the leading role here is given to CAPITAL and not to PEOPLE. In other words, it is capital that sets

limits to development and not people. The people become, to use the economist's jargon, a "dependent" variable. The people, from the economist's perspective, are not human beings, but "labour power" and their "employability" is determined by the amount of CAPITAL available. In the final analysis, it is the availability of capital that sets limits to the resettlement programme and the employment programme.

In line with this essentially CAPITALIST concept of "development," the FFNDP attempts to look for capital, wherever it can find it, to generate the targeted 5% p.a. growth in the country. The planners have calculated that the country needs about \$7 000 million of investment over the Plan period.

\$5 291 million (or 74,25%) of the total investment must, according to the "production-orientation" of the Plan, go into what the Plan calls the "material production sectors" of the economy. Only

\$1 836 million will be put into what the document calls the "non-material production sectors", which include housing, education, health and public administration.

Even as regards the "material production sectors," the Plan makes a distinction between the main "production sectors" (agriculture, mining and manufacturing), and the rest of them (electricity and water, construction, distribution, hotels and restaurants, and transport and communications). The first group of "main" production sectors will receive \$3 350 million of the total investment, and the second group \$1 941 million.

Within the main "production sectors" there is a further discrimination in favour of MANUFACTURING, which Plan regards as the "key sector" for changing the structure of Zimbabwe's economy. The manufacturing sector thus is to receive 20% of the investible funds (\$1 390 m.), or

somewhat less than all the social services put together.

If we examine the import strategy, the distribution in favour of manufacturing comes out even more sharply, for industrial productions account for 95% of all planned merchandise imports, while agriculture and mining products the remaining 5%.

It is clear thus that the ideological thrust of the FFNDP is "productivist" with capital rather than people as the main motivating force.

Now let us look at where this capital is going to come from. We have seen that the planners have worked out that to achieve an average growth of 5% p.a. over the Plan period, the country needs to invest \$7,126 million in gross fixed capital formation. Of this, \$4,500 million is expected to come from the Public Sector Investment Programme (PSIP), and \$2,500 million from the private sector. At first glance, these look impressive figures. The private sector appears to play a minor role in the investment programme. One could cite these figures to "prove" that the planners are trying to bring the economy under the state, and therefore "nationalist" control.

However, a closer analysis shows that nothing is further from the truth, because two-thirds of the PSIP investment, according to the Plan itself, is from Foreign capital. Indeed, if one were to look more closely at the one-third presumably secured from "local" capital, one would probably discover that the bulk of this capital too would come from banks and financing institutions which are either foreign financed or foreign owned and controlled.

We are further told that out of the total PSIP of nearly \$4,500 million, some \$1,390 million (or about 30% of the total PSIP investment portfolio) will be channelled in strategic industries through the ZDC and the IDC. We already know, however, from the Plan itself, that the bulk of this capital will come

from foreign sources. In addition, private sector, in turn, is expected to invest \$1,000 million in these industries. It is thus clear that foreign and private capital is likely to dominate production in the most strategic industries under the umbrella of the "state" sector.

Therefore, it is not surprising that the private sector in Zimbabwe is beginning to flex its muscles, knowing as it does, that without it the country will not be able to fulfill its FFNDP targets. In a series of articles following the publication of the Plan, the private and foreign sectors' mouthpiece in Zimbabwe, the FINANCIAL GAZETTE has been putting veritable conditions necessary to motivate the private sector to invest their capital in Zimbabwe, such as a greater excess to foreign exchange, a relaxed import programme, wage determination through direct negotiations with the owners of capital and easy transferability of profits out of the country. Unless these conditions are met, the FINANCIAL GAZETTE has warned, Government might find that the growth targets for the FFNDP are too "ambitious".

The difficulty of relying on foreign capital to bring about development is two-fold; both reasons paradoxically opposed to each other. If foreign capital does come in, then it extracts a severe price from the people, turning them into a dependent "labour" force, and paying them meagre wages to sustain them, while the bulk of the people still go without employment. This is the root cause of the so-called "debt problem" of the Third World Countries. If, on the other hand, this capital does not come in because the conditions it puts are not fulfillable, then the country's resources are not developed. This is the grim irony of capitalist strategies of development as these apply to conditions of production in our country. What we need is a more imaginative planning concept which makes People the main motive force of development, and capital a "dependent variable".

#### Unemployment To Get Worse

Gweru MOTO in English No 46 86 pp 6-7

[Text] The problem of growing unemployment in Zimbabwe is becoming increasingly pressing. Almost every week some conference or ministerial statement makes reference to the problem. The First Five-Year National Development Plan is no exception. In the introductory review of the performance of the economy, it says: "Indeed, the problem of unemployment is a major national issue and it looms as one of the most socially destabilising problems throughout the Plan period."

In view of this concern, it is disappointing that the planners have very little to say about how they plan to reduce the problem. The only explicit passage dealing with employment says:

"The creation of additional employment opportunities is intended to provide the majority of able-bodied Zinbabweans with gainful employment. Detailed survey of the economy shows that the issue of unemployment could continue to be one of the major problems during the Plan period. In spite of the resumption of

economic growth in 1984, and the Plan target of overall growth rate of 5.1%, unemployment could remain unacceptable high unless Government makes concerted efforts in channelling investment into areas that have potential for generating employment opportunities. In this connection Government will divert about 47.0% of total investment into productive sectors of the economy."

Thus the primary instrument for dealing with unemployment is intended to be investment, with the emphasis on the productive sectors of the economy--agriculture, mining and manufacturing. The planners are not very optimistic about the likely results of this strategy. The figures they present show that they actually expect the proportion of the working age population in formal wage employment to fall over the plan period. In other words, they expect that, even if all the targets of the Plan are met, the unemployment problem will get worse.

Unfortunately, the Plan is more of a statement of intention rather than a programme of action. Furthermore, it is in the nature of plans that the published document is simply the tip of the iceberg, representing only a small fraction of the work that has gone into its formulation. It therefore does not present all the reasoning that lies behind what appears in print. However, in order to assess the Plan, we do need to try and reconstruct what the Planners' reasoning probably was. To do this, it is useful to begin with what they see as the causes of unemployment.

**They identify three primary causes--the**

recession and drought, wage increases, and rapid population growth: "In summary, therefore, the primary causes of growth in unemployment were: the decline in the economy's labour absorptive capacity which resulted from the economic difficulties of three successive years of drought and recession, and the tendency among enterprises to shift from labour intensive to capital intensive techniques of production on account of wage increases. Rapid population growth also aggravated the problem."

On this basis it seems reasonable that the main solution should be to try and increase the economy's absorptive capacity by building up the stock of productive capital through investment. It also makes sense to extend family planning services as is the intention. It might also be logical to restrict wage increases, although this is not suggested in the Plan.

However, despite the apparently reasonable connection between the causes of the problem and the general thrust of the Planners' proposals, one is still left with a feeling of dissatisfaction on two counts. Firstly, given the seriousness which the planners acknowledge the problem to be, one might be disappointed that they can only recommend strategies which, *by their own admission*, will not only fail to solve it but will

allow it to worsen. Desperate situations require desperate remedies. Is there actually nothing that can be done, other than to pursue essentially the same policies which have failed to work in the past and, according to the Planners, will fail to work in the future?

The second reason for dissatisfaction lies with the apparent reasoning which lies behind the planners' analysis of the causes of the problem. The three reasons given are correct, but they represent only the immediate causes. They are a shorthand way of summarising a much more complex chain of causes, which it is worth examining, so as to get to grips with the real issues.

Why did the drought and international recession "cause" unemployment in the formal sector? Primarily, because they reduced the level of demand in the economy. This being so, it seems anomalous on the face of it that, at the height of a recession caused by lack of demand, the government entered into an agreement with the IMF which aimed directly at reducing demand further, through restraints on both the budget deficit and wage increases.

When we look further, however, there is apparent sense in the move. Both the world recession and the drought caused export

arnings to fall, which not only reduced demand but also aggravated Zimbabwe's endemic foreign exchange shortage. This compounded the unemployment problem, as firms laid off workers because of a shortage of necessary imported inputs.

It was argued that to deal with this, Zimbabwe had to "maintain its international competitiveness", by keeping down domestic cost inflation. This was further interpreted as meaning it was necessary to keep a lid on wage increases and a check on inflationary increases in money supply caused by rapid expansion of government borrowing. On the basis of this reasoning it was reasonable to operate a wage freeze and to attempt to curtail the expansion of government expenditure.

An alternative analysis is however, possible. Throughout the period Zimbabwe appears to have maintained its share of world exports: this suggests that competitiveness was not the problem, but rather that it was the contraction of the world market. Furthermore, there is some evidence to suggest that Zimbabwe's exports of manufactured products see the export market as a residual, that their exports expand when domestic demand expands. Cutting demand would, in these circumstances, tend to reduce exports of these goods. A policy of demand restraint was not only unnecessary but possibly aggravated the problem.

Of course, for traditional exports from the mining and agricultural sector a rise in domestic demand has only negative effects, since they feel only the cost implications but do not benefit from the expansion of the domestic market. One of the serious issues which has to be tackled is how to balance the conflicts between these sectors; what exchange rate policy should be adopted, how should foreign exchange be allocated, what tariff structure is appropriate, and so on. On these things the Plan appears silent.

Turning to wages as a cause of unemployment, it seems so obvious that wage

increases cause unemployment that it is often treated as axiomatically true by commentators, Zimbabwe's planners not excepted. But what is the reasoning behind this article of faith? The planners state that wage increases cause "enterprises to shift from labour-intensive to capital-intensive techniques of production." This argument is correct only in so far as the wage increases caused an increase in the cost of labour relative to that of capital equipment.

This requires a detailed analysis of such things as interest rates (which have doubled for most borrowers since 1980), import prices (which have risen by about 35%), the cost implications of forex shortages, and so on. It also requires an analysis of changes in labour productivity. There is no published analysis of this sort available, but if there were, it would probably show that labour costs have indeed risen relative to capital costs, but not by as much as a casual look at minimum wage changes would suggest. If this is so, two implications might be drawn.

Firstly, wage increases are probably not as significant a cause of unemployment as employers and the planners would have us believe. Given the effect of wage increases on domestic demand, and the importance of this in determining the level of activity in the economy, there is some basis for arguing that rising wages lead to a reduction in unemployment.

Secondly, even if there has been a relative increase in labour costs, this is in part because many government's policies actually keep down capital costs. Low interest rates, depreciation allowances for tax purposes, over-valued exchange rates, tariff rebates on equipment, etc. effectively keep down the net cost of capital. This is done on the grounds that this stimulates the overall level of investment. It may do so (although even that is debatable), but it also exacerbates any tendency to replace workers by machines. □

### Productive Sectors To Benefit

Gweru MOTO in English No 46 86 p 9

[Text]

THE critical factor in the success or otherwise of the Five Year National Development Plan is that of investment. A central theme running through the Plan is the role which investment plays in the development of agriculture, mining and manufacturing as well as the service sectors.

The measure of the magnitude of the investment is given by the term Gross Fixed Capital Formation. This is the engine which will drive the planned growth in the economy by about five percent a year. Over \$7 000 (seven thousand) million will be spent on the engine between now and 1990.

What is more important is that nearly half of this huge sum will be spent on the productive sectors. It is these sectors which generate the wealth that will underpin the economic transformation of the Zimbabwean society.

The Plan is a fascinating document, written by a finely balanced hand. It hints at serious economic problems, but it also offers hope for the future. It is uncompromising about the difficulties faced during the drought years which were exacerbated by certain necessities. For instance employment in the productive sectors declined during 1983 and 1984 but in the social sectors (education, health etc.) employment grew rapidly.

As the Plan says, this was one of the most destabilizing factors in the economy, since money was spent on these sectors when the economy was not generating wealth. However such expenditure was necessary to redress the failures of past governments.

In the next five years the entire investment strategy is aimed at reversing the trend. Only 25 percent of investment is going into the social services.

Another 25 percent will go to infrastructural areas such as construction, transport and electricity. The rest goes to agriculture, mining and manufacturing. If one looks at the Public sector investment programme which is Government's tool for change, a similar trend is shown, but with housing also given a boost.

In some ways the Plan tries to be all things to all men. Only time will prove where the true emphasis lies. Only in 1990 will we be able to sit and judge whether the Zimbabwean economy and society has been transformed. Central to the balancing act is the role allocated to the private sector in the investment programme.

Nearly 40 percent or in monetary terms over \$2 500 million is the share expected from domestic private investment. It has an even larger role in terms of financing the whole fixed capital formation. The Plan outlines some ways it intends to encourage the private sector "to undertake projects for expansion of existing productive capacity as well as for the establishment of new production facilities".

Apart from the general improvement in the economy, the Government will take steps in the fields of tax, wage policy, prices, import allocations and other areas to stimulate investment.

Does this mean the rigid controls of the labour market, price control and the high

level of taxation are to change? There are strong hints to this effect in the plan.

Then there are the strong words to encourage foreign investment. Foreign private investment is small (only \$200 million during the plan period) but of critical importance is transferring technology and opening up new labour employing enterprises. Foreign loans which are also influenced by the state of the economy play an important part in the investment programme.

There is an intention to create an Investment Register. It will be the shopping list for foreign and local investors, and it will be essential to clarify where and how development will occur.

But as mentioned, the Plan is counterbalanced by another line of thought which emphasises the role of the state. For example when referring to the manufacturing sector the Plan says "Government will increase its participation in the manufacturing industry because it is both the key sector in overall economic development, as well as the decisive sector in the physical restructuring of the economy".

There are similar statements in the mining and financial sectors, where the aim is to localise and increase state control of those industries or sectors deemed strategic.

This is clear in the overall objectives of the Plan, which reads as a firm socialist tract. The private sector will be transformed and controlled. Transformed from foreign ownerships to local, and controlled by state participation.

But perhaps the most curious phrase is the following objective which says "encouragement and acceptance of private local investment and foreign investment on terms conducive to, or consistent with socialist transformation".

The Plan may be caught in a Catch-22 situation. Employment generation is essential. It can only be created and sustained by the productive sectors. This means a dynamic economy offering rewards to those who invest, and to those who will build new industries. But dynamism needs an entrepreneurial spirit, it needs motivated managers and workers.

It needs co-operatives which can see material benefits for their efforts. But it must also be a socialist economy, which is controlled and driven by the state.

Yet without the stultifying bureaucracy which can easily drain the investors' spirit. This is the challenge facing the next five years of development. □

ZIMBABWE

MINISTER ADDRESSES CHURCH BODY ON RSA STRUGGLE

MB160646 Harare Domestic Service in English 1745 GMT 14 Jul 86

[Text] As the fight against apartheid continues to intensify, churches in South Africa and Namibia should brace themselves for difficult times. The remark was made by the minister of information, posts, and telecommunications, Comrade Nathan Shamuyarira, when he addressed a 2-day seminar of the Zimbabwe Council of Churches in Harare today.

Comrade Shamuyarira called on the churches to give all forms of assistance to those waging a relentless war against South Africa's policy of racial segregation. He said the transfer of power to the [word indistinct] is a delicate (?process) which needs (?tact), understanding, and [word indistinct].

The minister (?also) said the dark clouds of war and conflict are gathering in southern Africa, because of the intransigence of the Botha administration, which is now under pressure from the oppressed black majority and the international community.

Comrade Shamuyarira told participants that the organized masses in South Africa are now ready to take greater risks for the liberation of their country. The minister added that funerals of fallen comrades have become moments of solidarity and the segregated African townships have become areas of great agitation and violent opposition to the evil policy of apartheid.

Comrade Shamuyarira pointed out that the oppressed masses [words indistinct] inside South Africa are now on the offensive, while the Boers are on the defensive.

/6662  
CSO: 3400/278

EXPERTS REPORT 'HIGH LIKELIHOOD' OF EXPLOITABLE RESERVES

Johannesburg THE STAR in English 15 Jul 86 p 14

[Article by Robin Drew]

[Text]

The prospects of Zimbabwe becoming an oil producer are looking better according to expert opinion which says there is a "high likelihood" of exploitable reserves being found in the Zambezi Valley.

In April a team of West German and Zimbabwe scientists was sent to the valley on a ground-based survey.

This followed an airborne magnetic survey in 1982 which indicated that there could be deposits of oil or natural gas east of Mashumbi Pools.

Now, according to the magazine of the Wildlife Society of Zimbabwe, experts have been encouraged by the work done so far and conservationists are taking seriously the possibility of oil extraction becoming a reality.

#### Wildlife areas

Exploration is taking place to the east of the major wildlife areas where potential oil-bearing sediments up to 8 km deep have been located.

The article says if the expert opinion is borne out, exploration seems almost certain to spread westwards into wildlife areas such as the Mana Pools National Park where, it says, deep sedimentary deposits have also been found.

Conservationists want to see environmental planning brought in as an integral part of the project.

Uranium deposits are also being investigated and, the report says, it is understood that at least one viable deposit has been located in the Dande communal land, close to the Dande safari area.

A West German company, Saarberg Interplan, is assessing prospects for exploitation.

The report says that as with uranium, a world oil glut and falling prices may delay exploitation.

"However," it says, "such factors could be overridden by the urgent need to reduce Zimbabwe's dependence on imported oil at immense cost in foreign exchange."

Last year Zimbabwe spent R330 million on fuel imports. Most of its oil comes in refined form from Kuwait, which provides 66 percent of the country's needs under one-year supply contracts.

Last year the Gulf state exported 300 000 tons to Zimbabwe. It reaches Zimbabwe through the fuel pipeline from Beira to Mutare. Zimbabwe troops guard the pipeline in Mozambique against attacks from MNR rebels.

#### Doubled number

The last reported attack on the pipeline was in August last year when Zimbabwe doubled the number of its soldiers in Mozambique to more than 10 000.

The most serious disruption occurred at the beginning of 1983 when saboteurs blew up the fuel tank farm in Beira and shortly afterwards damaged the pumping station at Maforga.

The crisis lasted a month with huge queues at filling stations, transport brought to a halt in the rural areas and resultant food shortages.

/9317

CSO: 3400/285

ZIMBABWE

BRIEFS

ZAPU MEMBER CLEARED--Harare--Mr Sydney Malunga, a member of Zimbabwe's opposition PF-Zapu Party, was acquitted on Friday of charges of helping rebels, but he still faces allegations of plotting to topple the government. The state alleged Mr Malunga, a Parliamentarian, gave money and clothing to the insurgents active in southern Matabeleland Province in the past four years. He denied the charges. Delivering judgment, the magistrate, Mr Paddington Garwe, blamed police for carrying out a "poor investigation." Sapa-Reuter [Text] [Johannesburg THE CITIZEN in English 14 Jul 86 p 13] /9317

AID DEAL WITH CUBA SIGNED--Havana--Cuba will help Zimbabwe in education, health and agriculture under a new three-year cooperation agreement signed by the two countries, the State media reported yesterday. The agreement was signed in Havana on Saturday by Cuba's leading expert on African Affairs, Mr Jorge Risquet, and Zimbabwe's Education Minister, Mr Dzingai Mutumbuka. Although Mr Risquet does not hold any formal post in the Cuban Government, he is a member of the ruling Communist Party Politburo. Under the terms of the agreement, Cuba will train 1 200 Zimbabwean teachers at special colleges for African students on the Isle of Youth south of Havana. Cuba will send doctors to work in Zimbabwe and help the country to develop its pharmaceutical industry. The Communist-ruled country will help Zimbabwe with cattle breeding, the development of sugar cane sub-products and the administration of State farms and cooperatives.--Sapa-R [Text] [Johannesburg THE CITIZEN in English 14 Jul 86 p 13] /9317

CSO: 3400/285

SOUTH AFRICA

DISNEYLAND-LIKE PARK PLANNED FOR BOPHUTHATSWANA

Cape Town DIE BURGER in Afrikaans 11 Jun 86 p 18

[Article: "Disneyland for Neighboring State"]

[Text] Johannesburg. - Southern Africa is soon going to get its own and unique Disneyland. And just like the imaginative Mr Sol Kerzner gave South Africans a Las Vegas in miniature with his Sun City, that big boss of Sun International announced here yesterday that his group has approved a capital project of 160 million rands, 60 million rands of which will be used only for setting up the theme park. The park, which will be set up just north of Ga-Rankuwa in Bophuthatswana, will not now have the world-famous Disneyland personalities, but will be designed according to the same theme, with similar breath-taking scenes and exciting fun rides. The only difference is that it will have a typical African -- or rather Tswanan -- character. A new 40-million rand hotel adapted to the African theme will be erected as part of the project.

Sun International has in the past 18 months spent about 125 million rands on expanding its existing sites and, according to Mr Kerzner, this new capital project of altogether 160 million rands is merely a continuation of the company's policy to constantly expand further. This means that the group has taken on capital spending projects of altogether about 300 million rands within just over three years. The new project will be part of the Sun Bop-Group.

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CSO: 3401/161

SOUTH AFRICA

GOVERNMENT AID TO FARMERS PRAISED

Cape Town DIE BURGER in Afrikaans 9 Jun 86 p 6

[Editorial: "A Necessary Injection"]

[Text] The 262 million rands which has now been approved by the government to help farmers in the drought zones of the summer rain region is a significant economic injection for the agricultural communities affected. Farmers in general have ended up in an ever more unfavorable position in recent years, mainly due to inflation. Volkskas [People's Bank] points out in its recent economic survey that the price index for farm needs increased by 19.0 percent last year as opposed to an increase of 8.6 percent in production prices and an average inflation rate of 16.2 percent. The bank also says that the debt burden relationship in the farm sector has gradually weakened -- from 11.5 percent in 1975 to 26.5 percent last year. In such circumstances it is obvious that farmers who on top of this are ravaged by drought should be actively helped.

People who so easily criticize the government for its aid to farmers should realize that agriculture is one of the cornerstones of the country's economy. It is now more necessary than ever for South Africa to produce enough food for its rapidly growing population. The import of food has become very expensive due to the fall in the value of the rand. Moreover, there is the possibility of still more sanctions against the country. South Africa already has serious problems because of pressure on the rand and unrest. Food shortages could make it worse. It is necessary for agricultural production to be substantially raised with more judicious financing and better methods. Food has also become an important political weapon in a continent and world in which more and more people are suffering from hunger.

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CSO: 3401/161

SOUTH AFRICA

BUSINESSMEN'S INVOLVEMENT IN SOLUTION TO PROBLEMS VIEWED

Cape Town DIE BURGER in Afrikaans 10 Jun 86 p 10

[Editorial: "Businessmen's Plans"]

The comprehensive proposals for economic and political reforms which more than 600 of South Africa's foremost business leaders have now come up with shows an honest attempt to find solutions to difficult national problems. From the time devoted to formulating recommendations, it is evident that the business sector did not just want to shoot in the dark. In several cases the businessmen even tried to spell out particularities as to how certain problems ought to be handled. Whether they discovered new wisdoms or solutions in the process is another question. One of the most important proposals in the Unisa Report is, for example, that direct political representation should be instituted for Blacks at all levels of government. That should occur through negotiation with recognized black leaders. But is that not precisely the government's aim? Talks are indeed going on with some black leaders. The problem is to give political credibility to those talks. That will be possible if respected black leaders are willing to promise their support to the proposed National Council in public. They are hesitant about doing that in the current climate of unrest where intimidation often occurs. The business sector apparently also does not offer advice for that big stumbling block. Nevertheless, a welcome change of attitude among South African businessmen can be felt -- an inclination to show more involvement in problems with which the government had to wrestle alone for years. The industrialists also recently published a covenant on reform measures. There was for too long a tendency among businessmen to regard the economy apart from politics.

They also cannot be entirely exonerated from the rejection of the free-enterprise system which has built up among colored people. For decades they failed to significantly help raise the standard of living of Blacks in particular. That is borne out, among other things, by the accusation in another part of the Unisa Report that managers pay "lip service" to aspects such as advancement of Blacks and incentives in their work. It is to be hoped that the business sector has also learned from the mistakes of the past and realizes, as the government does, that a joint effort by all is needed to create a better future for South Africa.

13084

CSO: 3401/161

ACTIONS LEADING TO STATE OF EMERGENCY ANALYZED

Cape Town DIE BURGER in Afrikaans 13 Jun 86 p 18

[Editorial: "The State of Emergency"]

[Text] The declaration of the state of emergency must be judged against the background of the serious threat to the security of the state, about which the president informed the people of South Africa yesterday afternoon. The seriousness of the situation is evident from the fact that he took the country into his confidence about information which is often regarded as very sensitive. Everything indicates that plans have been devised to have the revolutionary onslaught on South Africa increase in fierceness. The planned actions of radicals, which Pres P.W. Botha somewhat brought into the open, has necessitated urgent preventive measures by the government. Whenever large-scale unrest, supported by sabotage and terror, is organized, no government may neglect to take precautions against it. That is why numerous people have been taken into custody nationwide. South Africa has for a long time now not been contending with isolated incidents of unrest springing from people's dissatisfaction with their living conditions. It is purely a matter of a sectional takeover of power.

The president pointed out, among other things, that security experts warn that the whole country has become a target area for radical aims. This opinion must be seen in connection with the position of the Politburo of the SA Communist Party that the endeavor for a "violent takeover" must not be abandoned. Western countries should also show concern about this. Would any of them have acted differently if they were aware of such a threat against themselves? They should also realize that it is the government's very reforms which are spurring the revolutionary forces on to become more reckless. Reform takes the wind out their sails and their plans are thwarted. Rebellion against the government must therefore be fomented and negotiation, as it is stated, can only be considered when opposition to the SA Communist Party and the ANC has been demolished "by force."

The government would obviously rather have preferred to use other forces to prevent attempts at organized violence and undermining the state authority. A state of emergency has a depressing effect, and in South Africa's case this will result in hysterical reaction abroad and in certain circles at home. Because it wanted to avoid this, new security legislation was introduced in

parliament, but blocking actions prevented it from being able to take effect. That did not exactly leave the government a choice. If the two bills do get into the law book, the government will have to consider lifting the state of emergency again. All the possible negative consequences of yesterday's measure should be weighed against the greater interest of the country and its inhabitants. For example, in expectation of sharper measures, the rand began to move down this week and investors' confidence in South Africa will have a temporary setback. President Botha made it clear that the government indeed considered all those aspects. It had to be set against the security of people and their possessions and the maintenance of law and order. It is this responsibility which is now being carried out. The state of emergency is in fact also intended to protect law-abiding people.

The effect of the state of emergency on the country as a whole is going to depend a great deal on how South Africans themselves react to it. It is not the first time that a nationwide state of emergency has been proclaimed. South Africa survived the 1960 state of emergency, and economic confidence was restored. Any overreaction will not contribute to greater stability. In any case, what would have become of the economy if the government had not decided to take firm action? Confrontation is not being sought. It is preventive action against violence.

13084  
CSO: 3401/161

FANAROFF SPEAKS AT MAWU ANNUAL CONGRESS

Johannesburg CITY PRESS in English 6 Jul 86 p 4

[Text]

THE state of emergency and the subsequent detention of the bulk of the Metal and Allied Workers' Union leadership has not "crippled" the union.

"We will continue with our work, and we will defend the rights and interests of our members," national organiser Bernie Fanaroff told about 300 delegates at Mawu's annual congress at Wits University this week.

Fanaroff said Mawu members were angry because their leaders had been imprisoned without trial.

The 70 000-member Mawu and the powerful National Union of Mineworkers, also represented at the congress — which brought together two of Cosatu's strongest affiliates — pledged to continue with the fight for "a living wage" for members despite most of their leaders being imprisoned without trial.

The two unions are locked in bitter wage negotiations.

In his main address, Fanaroff said Mawu was the hardest hit of Cosatu affiliates by the state of emergency. Over 26 Mawu leaders had been detained, he said.

The union could not stand idle while it was being attacked "from the left and right", he said.

He said harassment by the authorities started in 1973, when Mawu was formed.

Mawu was formed after massive strikes in which workers demanded the right to have genuine, democratic organisations to represent their interests, he said. Thousands of workers joined. Other strong unions were also formed around this time.

Fanaroff said black workers demanded their rightful share in the country's wealth instead of starvation wages; control over their living conditions instead of being ruled by bosses and the government; and leaders they trusted instead of appointed government and employer "stooges".

Mawu's signed-up membership has grown to over 70 000. "Our target is 220 000 members," Transvaal vice-chairman Hilton Mashigo said.

Of about 450 000 metal workers in SA, over 80 000 have been retrenched during the past three years.

The harassment of Mawu organisers began in 1973 when David Davies and other unionists were banned for five years, Fanaroff said. Mawu also faced hostility from the government, bosses and the "sweetheart" unions, he said.

In August 1976, 13 trade unionists were banned with nine community leaders. These included Mawu leaders Moses Ndlovu, Alpheus Mtethwa, Gavin Anderson and Sipho Khubeka.

Mawu became one of the biggest affiliates when the Federation of SA Trade Unions was formed in April 1979. In 1983 Mawu was involved in many East Rand strikes and about 25 000 metal workers went on strike.

In November 1984, Mawu joined the two-day stayaway which closed Witwatersrand industries. Mawu joined unity talks in 1981 that led to Cosatu's formation last December.

"Mawu has not been crippled. We will continue to mobilise, carry forward the fight and defend the interests of members both at home and at factory shop floor level," Fanaroff said.

He said Mawu endorsed the call made by Cosatu earlier this week. "We call for an end to the state of emergency, an end to harassment, the unconditional release of our leaders, the in-

troduction of the freedom of speech so that we can openly and democratically decide the future of SA."

The Mawu congress passed several resolutions on the state of emergency, workers' struggles and support for other unions. The resolutions said that Mawu:

- Has not been crippled by the state of emergency.
- Will continue to organise and build a democratic union controlled by workers.
- Will continue to defend and fight for the advancement of the interests of members and all workers — and will not be intimidated by harassment of trade unions or unionists.
- Is determined to achieve a living wage in the metal industry in the short-term and continue to struggle for economic justice.
- Is horrified at conditions still existing in the mining industry and at miners' exploitation, and pledges full support for NUM's struggle for a living wage and decent conditions in the mining industry — and for an end to the savage exploitation.
- Calls for the release of its leaders and members and an end to the harassment of Mawu officials and other officials.
- Calls for freedom of association and of speech.

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CSO: 3400/268

SOUTH AFRICA

BOPHUTHATSWANA DEFENSE FORCE NOW HAS CRACK PARATROOPERS

Pretoria PARATUS in English Jul 86 pp 58, 59

[Text] Bophuthatswana is a fragmented country and it is difficult to transport and deploy troops quickly. For instance, it can take up to fifteen hours to transport troops from Mmabatho to some of the more outlying districts. According to Bophuthatswana's Minister of Defence, Brig H.F.P. Riekert, the training of the paratroopers is designed to afford the Special Forces Unit, established last year, greater strategic and tactical mobility.

Of the 63 selected to undergo paratroop training, 42 qualified--an impressive and unusually high success rate. The men began intensive physical training in November 1985. 81% passed their final physical tests--more than double the usual rate. In the next phase they were comprehensively instructed in all parachuting techniques. The standard of the training was as high as that offered anywhere in the world.

The parade took place on the main runway of Mmabatho International Airport.

In attendance were representatives of North West and OFS Commands, the South African Deputy Minister of Foreign Affairs Mr Ron Miller, the South African Ambassador Dr W. Kotze, the Mayor of Mafikeng Mr Sidney Gordon, the Chief Commissioners of the Bophuthatswana Police and Prisons Services, the Chief Justice of Bophuthatswana and members of the Cabinet. Many relatives and friends also watched the proceedings excitedly.

The highlight of the parade was the jump by the new BDF paratroopers from two aircraft. Excited relatives trained their eyes on the blossoming chutes. For most this was their thirteenth jump. All landed safely and formed up in no time to receive their wings from Dr Mangope.

One of the 42 successful paratroopers was recuperating at the time in 1 Military Hospital from a broken ankle. Despite his injury suffered whilst on course, he successfully completed the course--and two jumps!

"Throwing oneself into space is not a natural act, especially for us Batswana," Dr Mangope said. Addressing the paratroopers, Dr Mangope said, "You have shown the world of what calibre we are made and that we are a people to be reckoned with."

Lt S. Letseleba received a trophy for best student during the course. At the parade, Mr Mangope announced the promotion to Major General of the Commissioner of Police, the Commissioner of Prisons and of Brigadier H.S. Turner.

/9317  
CSO: 3400/291

SOUTH AFRICA

CROSSROADS REFUGEES THREATENED WITH EVICTION FROM SHELTERS

Johannesburg THE NEW NATION in English 3-16 Jul 86 p 5

[Text]

THOUSANDS of Crossroad refugees fear being driven back into the freezing misery of the Cape winter as the authorities increase the pressure for their eviction from shelter provided by sympathisers.

The refugees became homeless after the almost total destruction of the Crossroads squatter camp a few weeks ago.

**BAN**

Many of the refugees have moved from place to place as the authorities seem determined to move them to Khayelitsha against their wishes.

The homeless refugees -- estimated at between 55 000 and 70 000 people -- cannot return to their original sites at Nyanga Bush, Nyanga Extension, Portland Cement Works and KTC because of a ban on entry to these areas, imposed by the Divisional Commissioner of Police, Brigadier Christoffel Swart.

Some lost their homes when fighting broke out in Crossroads in May. They moved to the Zolani Centre in Nyanga, but were forced out when vigilantes attacked both these places.

The doors of many mosques, churches, temples, warehouses, schools, houses and offices, inside and outside the township, opened for the squatter refugees.

But they were not long at their newfound shelter against the heavy winter rains when the authorities stepped in.

About 5 000 people living in schools in Guguletu and Nyanga were given one week to leave.

Father Desmond Curran, of St Gabriels' Church in Guguletu, said it seemed people had to vacate the schools in time for the new school term on July 1.

Eviction notices under the Black (Urban

Areas) Consolidation Act were served on a number of people who had taken in refugees.

About 100 refugees had to leave the Temple Israel in Wynberg last Sunday and move back to the church in Nyanga from where they had fled when fighting spilled over into the area.

A group of squatter refugees staying at the St Saviour's Church in Claremont left during last Sunday morning's service to avoid possible action against them.

A number of leaders have been served with subpoenas to appear in court.

The Rev Geoff Quinlan, vicar of the All Saints Church in Plumstead, was served with a summons to appear in court on July 25 for sheltering about 70 refugees, mainly women and children.

Mr Quinlan was told he could pay an admission of guilt fine by July 11, providing the church had been vacated. A police spokesman said that other similar cases were being investigated.

Iman Yusuf Abdul-Latif, of the Claremont Mosque, has also been served with a summons. The mosque has been visited regularly by the authorities.

Imam Abdul-Latif said at the time he was told that sheltering the refugees was illegal in terms of the Group Areas Act, the Black Urbanisation Act and a municipal by-law.

The Very Rev E L King, the Anglican Dean of Cape Town, described the evictions as "appalling".

"These people are only trying to keep out of the rain. I have given up on the Government in terms of understanding and compassion," he said.

A spokesman for the Western Cape Development Board, Mr Sampie Steenkamp, said accommodation was available for the displaced people at the board's emergency camp at Khayelitsha.

\* A "centre of concern" and five other collection points for collecting clothes and blankets for distribution to the 70 000 homeless people in Crossroads have been set up in Johannesburg and Natal.

The main point is at St Peter's, 6 Walton Avenue, Auckland Park, Johannesburg. Other points are St Mary's Cathedral in Johannesburg, Sandton, Newcastle and the East and West Rand.

For more information, contact Charlene Smith at 646-3790, or Rev Tim Gray at 726-1416.

/9317  
CSO: 3400/291

WINTERVELD RESIDENTS ORGANIZE TO FIGHT REPRESSION

Johannesburg THE NEW NATION in English 3-16 Jul 86 p 7

[Article by Cedric Kekana]

[Text]

**L**ife in limbo has given spirit to the corrugated community of Winterveld.

For years the people of the Bophuthatswana slumland of Winterveld -- a largely non-Tswana community -- have had no status. Their existence was governed only by need and repression and their lives were controlled by the authorities on both sides of an unseen border between the homeland and the rest of South Africa.

Helen Suzman of the Progressive Federal Party (PFP) urged the authorities on visiting the area two years ago to "legalise their status".

*"This area encompasses many of the problems of South Africa . . ."*

*-- report*

Still today their existence remains uncertain. The severe harassment which has marked their lives for years seemed a clear indication of the authorities attempt to elbow the community out. Already many have resettled themselves in other doubtful areas like KwaNdebele.

Residents have repeatedly complained that "independence" has led to harassment, including

the arrest and prosecution of plot-owners who fail to produce "permits" and of those who trade without licences.

Persecution Bop-style also meant traders frequently had their food stalls overturned and their chickens set alight by the Bop authorities in the market place, according to church workers.

Winterveld sprang up some decades ago when Pretoria's old black townships of Lady Selborne, Marabastad and Eastwood were removed to pave the way for white settlement and, in some cases, for Indian business sites.

Some of the people affected by the removals settled in Atteridgeville, Mamelodi and Ga-Rankuwa, while others bought plots in Winterveld. They were joined by "migrants" from different parts of the country.

And now more than 60 percent of the 450 000 people in the community -- which lies only 37 km north-west of Pretoria -- are said to be unemployed.

When the Bophuthatswana bantustan, under the leadership of Lucas Mangope, was awarded Pretoria-style "independence", Winterveld was already ugly and depressed.

A striking factor is that the Tswana-speaking people in Winterveld, for whose "liberation" the Bop ethnic republic was specifically designed, are few. Many of various ethnic groups -- including Xhosas, Zulus, Swazis,

Shangaans, Northern Sothos and Vendas -- are sub-tenants and officially regarded as squatters.

Many people now find themselves in a "Catch-22" situation when their hopes of improved conditions once they took up Bop citizenship smothered.

They were told without Bop citizenship, trading licences could not be obtained. Elderly people entitled to pensions also found themselves victims of the citizenship trap and many have waited years for citizenship to be eligible for pension.

Incorporation into the homeland also nullified residents' rights to freehold tenure.

D C Mokale, Bop's Minister of Lands and Rural Development in 1984 declared war on squatters living in the homeland when he told parliament that "the government's patience with the squatters has run out and that an effective machinery has been evolved to get rid of them, once and for all."

This was announced as tension between Mangope's government and opposition forces -- much of it from Winterveld -- reached new heights.

In that year, some Winterveld squatters were removed to a newly established township known as "Unit U". Others resisted the removal.

But as repression continued so resistance grew and the community began to rise up and come together.

The United Democratic Front-affiliated Winterveld Action Committee, led by the Rev Hans Hlaletshwa of the Soshangwe Catholic Church was formed last year.

The committee and the Catholic Commission for Justice and Peace of the Pretoria Archdiocese once summarised the plight of the Winterveld residents in a joint report.

"The inhabitants of Winterveld are faced with a continual struggle -- that of finding a place to stay; somewhere that they can both physically stand and where they can gain legal standing.

"This area encompasses many of the problems of South Africa -- the division of people along racial and tribal lines; the quest for land and

citizenship; dispossession of people's property; the changing of laws by an unrepresentative government; harassment by officials and police; the fragmentation of people, making solidarity impossible; the continual struggle over housing, education, health, safety and social welfare; and the unceasing quest for work so as to maintain life."

At one stage a South African-Bophuthatswana inter-governmental working committee was established to initiate a massive clean-up of the area. But this had little impact.

Most Winterveld residents seem to regard the "independence" of Bophuthatswana as a political fiction.

In practice, they have to work mainly in Pretoria and the industrial complex of Rosslyn. They use South African currency, do most of their shopping in Pretoria and are members of South African trade unions, including the South African Allied Workers Union (Saawu), which is a banned organisation in the homeland.

Winterveld now forms part of the "rebellious" Odi-Moretele region, which comprises, inter alia, Ga-Rankuwa, Hammanskraal, Temba and Mabopane. These trouble-torn areas almost constitute a nucleus of resistance to Bop "independence" and the residents here have formed community, worker, youth and student organisations affiliated to the UDF.

When South Africa was rocked by a nationwide crisis last year, heightened mass resistance led to the formation of local and national crisis committees.

In Winterveld, there were worker and student stayaways as repression mounted. The Mabopane-Winterveld Crisis Committee was established to spearhead the struggle.

The situation then took a dramatic turn. Police shot dead many youths in the area, and residents were subjected to sjambokings and arrests.

On March 26 this year, 11 residents were shot dead and 28 seriously injured when Bop cops and soldiers opened fire on a crowd which had attended "an illegal gathering". The police were under the command of the Odi-

Moretele district commandant Colonel Andrew Molope.

After the massacre, the colonel and Diale Mokobyane were both given a startling promotion to the rank of brigadier and colonel respectively.

A few days later, Brigadier Molope was gunned down by unknown assailants -- apparently using AK-47 rifles -- inside his girlfriend's home in Winterveld.

In another development, legal representatives for the families of the 11 killed in the massacre withdrew from a commission of inquiry into the massacre in protest against the promotion of the two cops.

Yet all repression has really achieved is a more mobilised community.

"Winterveld has proved to be a pocket of resistance because they

have been harassed for so long and because they are against the Mangope regime," said lawyer Peter Harris who was representing the community in the commission of inquiry.

"It is now a well organised community, but it is distinct from other communities in that the level of political consciousness is not confined to the youth and there are no older vigilantes.

"The community has been under seige for so long that the whole community is mobilised from top to bottom," said Harris.

But the real future for Winterveld will remain uncertain until the community's more general political demands are met and the fundamental transformation of the South African reality into a non-racial democratic society takes place.

/9317  
CSO: 3400/291

SOUTH AFRICA

BRIEFS

NAFCOC PRESIDENT SPEAKS AT CONGRESS--Cape Town.--The president of the National African Federated Chambers of Commerce (Nafcoc), Dr Sam Motsuonyane, said the time is ripe for Nafcoc to review its long-standing policy of international investment in South Africa. Delivering his presidential address at the Nafcoc congress in Cape Town yesterday, he said the organisation had, for many years, clung to a strategy of advocating conditional investment. He said that until Blacks achieved an effective share of the political and economic power, the Government released political leaders and unbanned Black political organisations, Nafcoc would not participate in any efforts to encourage new investments in the country. [Text] [Johannesburg THE CITIZEN in English 9 Jul 86 p 12] /9274

MORE LAND FOR QWAQWA--Capetown--The Government had decided that 12,000 ha near Thaba'Nchu would be added to QwaQwa, the Deputy Minister of Development and of Land Affairs, Mr Ben Wilkens, said yesterday. In a statement released in Cape Town, he said the land, south of the Bloemfontein/Thaba'Nchu tarred road, would be added to the Botshabelo area for eventual inclusion in QwaQwa. [Text] [Johannesburg THE STAR in English 9 Jul 86 p 9] /9274

EVICTION THREAT TO SOWETAN RENTERS--Several residents of Orlando East, Soweto have received letters from the Johannesburg City Council threatening eviction if they do not pay rent. The residents said they were given until yesterday to pay. If they failed to do so, they would be evicted within 14 days. They owe two months' rent, which has not been paid pending the granting of certain demands. The electricity supply to several houses in Orlando East was cut after the delivery of the letters. Some residents said they were going to wait to see what the council would do after the two-week deadline. "As far as we know nobody is paying rent. I have not paid and I will see what happens in this 14 days," said one elderly woman. She was saving the money until "we are told to pay rent again". Another resident claimed officials were inconsiderate and were taking advantage of the fact that many Orlando East tenants were elderly. "I gave the letter to my friend to go and inquire on my behalf. I have not yet paid," said an elderly hawker. One resident said the letters posed a problem for residents. On one hand was the call not to pay rent, and on the other there were the letters from the council threatening eviction. "It puts us in a fix. We have been told that groups of youths hang around the council offices and follow those who pay their rent," he said. [Text] [By Mudini Maivha] [Johannesburg THE STAR in English 9 Jul 86 p 9] /9274

TEACHERS BACK PEOPLE'S EDUCATION--More and more teachers' organisations of all races are stepping down from "government structures" and throwing their lot behind the popular call for "people's education". Last week the "English-speaking" Natal Teachers' Society rejected the new "whites only" Teachers' Federal Council and challenged its more conservative counterparts in the Transvaal and Cape to follow suit. Speaking at the NTS annual congress in Durban, newly-elected president Hilstone Johnston said: "We are now going to move a lot faster". But it is not the only organisation to follow the precedent set last year by the 45,000-strong African Teachers' Association of SA, which withdrew its representatives from the SA Council of Education and the Research Committee on Education Structures. The Teachers' Association of SA also decided at its recent 61st annual conference in Durban to suspend its future participation in the SACE and RECES. The final decision will be taken by its national executive after all its members have been consulted. At the conference, Unisa African Languages department lecturer Prof Cornelius Marivate called for the opening of all schools and educational institutions to all races. Meanwhile, the United Teachers' Associations of SA last week resolved to withdraw its representatives from all "government structures". [Text] [By Sibusiso Mngadi] [Johannesburg CITY PRESS in English 6 Jul 86 p 4] /9274

NUM ON GOLD MINERS' PLIGHT--Gold miners are among the most exploited workers in SA--they earn about R162 per month, working underground for over 100 hours in a fortnight. And their living conditions on the surface are equally bad. National Union of Mineworkers official Marcel Golding sketched the miners' plight to 300 delegates at the Metal and Allied Workers' Union's annual congress this week. He said NUM has undertaken to struggle for improved wages and better working and living conditions for the miners. The struggle, he said, "extends beyond the confines of mine compounds, into all aspects affecting miners' lives". Since the turn of the century, about 46,000 gold miners have lost their lives. At least 600 die each year in occupational accidents in SA gold mines, he said. Gold miners working on the surface earn R162 a month. Underground workers get R193, while coal mine surface workers get R159 and those underground R172. This year the union demanded a 45% wage increase across the board. The Chamber of Mines thought demands were "outrageous, excessive and unrealistic", Golding said. But, he said, the mining industry's ability to pay higher wages did not need to be proven--in 1985, the industry recorded its highest profits. "Working profits rose by about 38%. Dividends paid to shareholders rose by 38%. Tax paid to the government rose by 47%." After many meetings, NUM dropped its wage demand to 30%. The chamber's final offer is 15-20%. The chamber is only prepared to reduce working hours by two and has agreed to make May Day a paid holiday. [Text] [Johannesburg CITY PRESS in English 6 Jul 86 p 4] /9274

BOPHUTHATSWANA OVERSPENDS--Bophuthatswana is facing a serious financial crises--but the homeland government continues to erect expensive projects. While Bop is seeking financial help from SA, it has started building a multi-million rand stadium south of Mabopane which is expected to be finished this year. There has been strong criticism of Bop's heavy spending, which includes a R21-m pleasure resort at the Pilanesburg game reserve, a R18-m "Olympic" stadium in Mmabatho, a R25-m "international" airport, a R40-m investment in hotel industries and a R4,5-m contract to buy 150 tractors from Romania. SA

financial aid to Bop last year is said to have totalled just under R400-m. About two months ago, Bop was forced to withdraw a loan application from the SA Development Bank to finance a R700-m power station near Hammanskraal-also allegedly after the bank threatened to expose Bop's financial position. Recently, the Standard Bank of Bophuthatswana ordered Bop to reduce its overdraft of over R300-m. Bop's debts last year were estimated at between R575-m and R875-m. [Text] [By Sol Morathi] [Johannesburg CITY PRESS in English 6 Jul 86 p 4] /9274

PAMPHLETS AGAINST UDF--A mysterious pamphlet has appeared in the Eastern Cape calling for the formation of vigilante groups like the Western Cape's Witdoeke to fight the UDF. The pamphlet, addressed to "citizens of the Eastern Cape," is signed by a self-styled "Eastern Cape Action Group." It accuses the UDF of working for Russia and says: "We in the Eastern Cape are being used as a test for communism. We must not allow that." Over the slogan "unite to a nation, not a front," it concludes with a call to arms: "My people, I tell you to stand up now, like in Cape Town, and destroy the UDF and comrades. Let us work for a better South Africa together with the other peoples of this land." The pamphlet is one of a number that have appeared in the region since the start of the state of emergency. Others claim to have been issued by the UDF but are clearly designed to embarrass the organisation. [Text] [Johannesburg THE NEW NATION in English 3-16 Jul 86 p 3] /9317

CSO: 3400/291

PAPER VIEWS EFFECTS IF ECONOMIC SANCTIONS APPLIED

**Most Victims Would Be Neighbors**

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 14

[Article by Gerald L'Ange]

[Text]

**SAVING** South Africa's neighbours from the fall-out from economic sanctions against the Republic would involve the biggest international rescue mission ever undertaken.

To be effective the exercise would have to be so large as to eclipse the efforts made to cushion Rhodesia's neighbours against the impact of the anti-UDI sanctions.

It might have to provide substantial logistical and economic aid to as many as eight countries over a period of several years. In the most extreme case it could involve an airlift far bigger than the historic Berlin airlift of 1948.

The Berlin operation, in which Western air forces flew supplies to West Berlin when the Soviets closed the overland routes, lasted 15 months. The planes flew in 2 109 000 tons of supplies.

This is only about a third of the annual goods traffic through South Africa to and from neighbouring states that could be stopped by sanctions. If all the road and rail haulage through

South Africa were halted by sanctions alternative transport would have to be found for more than 6 000 000 tons of goods a year.

In addition the international rescue mission would have to find ways to compensate neighbouring states for other possible losses.

One of the biggest would be the earnings of the migrant workers in the South African mining and other industries.

In 1983 the remittances from the 358 000 migrant workers put R678 million into the economies of their home countries. In some cases the remittances formed a large proportion of the country's national income.

Much of the money earned by migrant workers goes directly to support families in neighbouring countries.

Based on an estimate that each worker supports six people back home, the migrant workers' earnings in South Africa currently support nearly 2 500 000 people in other countries.

Finding ways to raise and channel compensation for the loss of this support would be a huge problem on its own.

Botswana, Lesotho and Swaziland at present get a major pro-

portion of their revenue from their share of the tariffs from the Southern African Customs Union, of which South Africa is the major partner.

The payout forms more than 50 percent of Swaziland's national revenue and more than 30 percent of the revenue of Botswana and Lesotho.

Some economists say the three countries could raise much the same volume of revenue by handling their own customs tariffs.

Nevertheless, a sudden disruption of the system through sanctions could pose serious short-term problems for them and add to the difficulties of any international assistance operation.

Another critical area would be electric power. Botswana, Lesotho, Swaziland and southern Mozambique depend heavily on South Africa for power. Pretoria could paralyse all of Lesotho and the Mozambique capital and environs by flicking a switch.

It would take costly, long-term structural projects to end the dependence of Lesotho and Maputo.

The neighbouring countries' major vulnerability is in transport, however.

Most of Southern Africa's imports and exports — about

70 percent — flow through South Africa's ports because those in other countries are inadequate and the railway links are either inadequate or interdicted by insurgency.

The railways linking Malawi with Nacala and Beira in Mozambique have been put out of action by the MNR rebels. For the same reason traffic movement on the line from Zimbabwe to Maputo is sporadic at best.

The Beira-Zimbabwe line is kept open only through the costly protection by Zimbabwe troops.

The Tazara line from Zambia to Dar es Salaam and the terminal port itself can handle only a proportion of Zambia's goods traffic — about 45 percent — let alone take anything from other countries.

The Benguela line from Zaire to the Angolan coast is kept virtually closed by the Unita rebels and no international rescue operation can do anything about that.

Ambitious plans for increasing the capacity of Beira and the other east coast ports have been made by the Southern African Development Coordination Conference (Sadc), which was set up partly to reduce the neighbouring states' dependence on South Africa.

But even if the money for the job were provided by the international community it would

take at least three years to get the work done.

And even then the railways would not be able to move goods to and from the ports if the MNR were still cutting the lines.

Pretoria, which has been accused of supplying the rebels, might find it politic in the event of sanctions to ensure that they kept the railways out of action.

Even if alternative transport routes were developed South Africa's neighbours would need compensation for the loss of the South African market.

These are so much cheaper than overseas imports that most of the neighbours buy a large proportion of their goods from the Republic — about 95 percent for Lesotho, 90 percent for Swaziland, 80 percent for Botswana, 35 percent for Malawi, 18 percent for Zimbabwe and 16 percent for Zambia.

Helping these countries pay for more expensive imports from elsewhere would be extremely costly and complicated.

So would helping them find alternative markets for what they now sell to South Africa, even though this trade is relatively small.

Several Southern African countries are already losing out on the dwindling tourist trade from the Republic and would

lose more from sanctions. This traffic could not quickly be replaced.

Sanctions could also deprive the region of technology, finance and investment from South Africa for which substitutes would be difficult to find.

In addition, it would be difficult if not impossible for an international rescue operation to replace the economic spinoff South Africa's neighbours get from foreign investment in the Republic that would not be diverted to any neighbouring country.

The impact of sanctions on the region would depend on the severity of the sanctions.

Comprehensive sanctions are unlikely but even selective measures would create severe problems for international efforts to soften the blow against neighbouring countries.

For any such efforts to succeed the international community would have to show greater dedication than it did when Zambia and Mozambique appealed through the United Nations for help to offset the cost of implementing UN sanctions against Rhodesia.

Despite an intensive campaign the victim countries ended up with very little assistance.

### On Zambia

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

[Text]

**TRADE: LANDLOCKED** Zambia's economy depends heavily on its mineral exports, but the routes for getting these to the sea are so inadequate it has had to turn extensively to South Africa's railways and ports.

The Tazara railway to Dar es Salaam has been able to carry no more than 65 percent of Zambia's exports.

The Mozambican outlets have largely been closed by the

MNR rebels.

This means at least a quarter of Zambia's exports have to go out through South Africa.

Zambia is even more reliant on South Africa for imports, at least 35 percent being handled by SATS.

The largest proportion of these originate in South Africa, for the Republic has recently overtaken Britain as Zambia's major source of imports despite the Lusaka Government's

increasing hostility to Pretoria.

Last year South Africa took only 0.3 percent of Zambia's exports, about 80 percent of which were copper. But South Africa supplied 14.5 percent of Zambia's imports, largely manufactured goods and canned and other foods.

SATS' figures tell the story. In 1984-85 SATS moved 122,366 tons of Zambian exports, of which 108,805 went out through South African ports. SATS car-

ried 390 203 tons of imports into Zambia, of which only 52 419 came in through South African ports. The other 337 784 tons originated in South Africa.

**LABOUR:** Only about 1 000 Zambians are legally employed in South Africa. In 1983 the figure was 743 and their remittances put only R1 million into Zambia's foreign exchange coffers.

**POWER:** Zambia is independent of South Africa for electricity

and most of its petroleum products come in on the Tazara line.

**TRANSPORT:** Zambia has 18 diesel locomotives on hire from South Africa. In May there was a daily average of 3 665 SATS railway trucks on Zambian and Zairean lines. SAA services Zambian Airways planes and trains its pilots on an ad hoc basis.

**TOURISM:** Although South African passport-holders may enter Zambia there is little tourist

traffic with South Africa.

**VETERINARY CO-OPERATION:** South Africa is Zambia's nearest and best source of many veterinary products and in 1984 supplied 379 400 doses of animal vaccine to Zambia.

**EDUCATION:** Despite being further away, Zambia sent more students (890) to South African higher education institutions between 1979 and 1985 than did Botswana or Swaziland.

### On Lesotho

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

[Text]

**TRADE:** Lesotho has a serious trade imbalance, with imports far exceeding exports (R439 million to R43 million in 1982). The imbalance is offset largely by the remitted pay of migrant workers in South Africa and by overseas aid. At R280 600 000 in 1983, the remittances formed about 40 per cent of the country's gross national product. By comparison, Lesotho's biggest export, diamonds, brought in only about R20 million and its next biggest, wool, earned only R4 million. Lesotho's income stands to be greatly increased by sales of water to South Africa from the proposed Lesotho Highlands project.

Most of Lesotho's imports come from South Africa. More than R420 million of its foreign trade in 1983 was with the Southern African Customs Union, which in effect means with South Africa. Lesotho's share of revenue from the customs union last year represented 60 per cent of the country's total revenue.

In 1984-85 SATS moved only 2 854 tons of exports from Lesotho and brought in 94 995 tons.

**LABOUR:** The 138 443 Basotho working in South Africa in 1984 were about half of Lesotho's total work force. They were there because there was very little employment for them in their own country.

**POWER:** All of Lesotho's electric power and all its petrol comes from South Africa. A re-

latively small amount of hydro-electric power will be generated by the Lesotho Highlands project.

**TRANSPORT:** Lesotho and South Africa exchange scheduled air services and SAA repairs Air Lesotho aircraft as required. From Mbabane, regular air services are operated to Mozambique and Swaziland and Zimbabwe will soon be included. The new international airport near Maseru can take intermediate size airliners but not jumbos.

**COMMUNICATIONS:** Satellite facilities give Lesotho independent telecommunications.

**TOURISM:** 10 578 people went to Lesotho from South Africa in 1984. How many were holiday-makers is not known but the proportion is believed to be substantial. Tourism would be given a big boost by the mountain lakes created by the Lesotho Highlands project.

**VETERINARY COOPERATION:** Lesotho received only 2 160 doses of animal vaccine from South Africa in 1983/84 but the Republic is nevertheless its main source of such material.

**HEALTH:** Lesotho sent 661 patients to South African hospitals in 1983-84 and was supplied with 3 022 doses of human vaccine.

**EDUCATION:** 1 062 Basotho students studied at South African higher education institutions between 1979 and 1985.

## On Mozambique

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

### [Text]

**TRADE:** Even before the Nkomati Accord, South Africa was one of Mozambique's biggest sources of imports — in some years the biggest. In 1984 the Soviet Union was the biggest supplier (19 percent) and South Africa was next with 12 percent. The United States was the biggest buyer of Mozambique's exports, taking 15 percent. South African purchases were negligible.

As the closest port to South Africa's industrial heartland Maputo would normally handle a substantial proportion of the imports and exports of the Republic as well as of Swaziland and Zimbabwe. This potential

has been restricted, however, by the inefficiency of the harbour and the cutting of the railway line by the MNR.

SATS moved 805 091 tons from Maputo in 1984-85 and carried 849 726 tons to the port, but it is not known how much of this was South African and Zimbabwean traffic.

**LABOUR:** Mozambique is the second-biggest supplier after Lesotho of labour to South Africa, maintaining an average of 60 000 workers in the Republic over the past five years. In 1983 their remitted earnings put R117 million into the Mozambique economy.

**POWER:** Maputo and environs

receive about 90 percent of their electric power from South Africa.

**TRANSPORT:** SATS trains carry most of the goods traffic passing through Maputo harbour. In May there was a daily average of 10 020 SATS railway trucks on Mozambican lines. The two countries exchange scheduled air services.

**VETERINARY:** Mozambique took 2 706 doses of animal vaccine from South Africa in 1983-84.

**EDUCATION:** Mozambique has made heavy use of South African institutes of higher education, sending 5 800 students between 1979 and 1985.

## On Botswana

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

### [Text]

**TRADE:** Most of Botswana's exports go overseas but the vast majority of its imports come from South Africa. Its trade with South Africa is statistically lumped together with its trade with the other partners in the Southern African Customs Union — Swaziland and Lesotho — but virtually all of this is with the Republic. In 1983, 8 percent of Botswana's exports went to the SACU and 82 percent of its imports came from the SACU.

All of Botswana's overseas trade moves through South Africa. In 1984-85 SATS moved only 27 874 tons of exports from Botswana but took in 409 059 tons of imports. Although it has road and rail links with Zimbabwe and road links with Zambia none of these at present offer viable outlets to ports.

**LABOUR:** In 1983 25 963 Batswana worked legally in South Africa and their remitted earnings put R47 600 000 into the Botswana economy.

**POWER:** Botswana has coal and is increasing electricity generation in thermal power stations but in 1984 it still got 27 percent of its power from South Africa. All of Botswana's petrol comes from South Africa. Anticipating the possible disruption of these supplies, Botswana built two large stor-

age tanks but these would supply the country's needs for only a few months.

**TRANSPORT:** In May there was a daily average of 3 665 SATS railway trucks in Botswana and Zimbabwe. SAA services Air Botswana aircraft on an ad hoc basis. There are scheduled air links with Johannesburg and connecting flights to Lusaka and Harare linking with overseas flights. The international airport at Gaborone can take jumbo jets. An international airline is due to start regular flights soon to London.

**COMMUNICATIONS:** Telecommunications are linked by satellite with the outside world but most mail goes through South Africa.

**TOURISM:** In 1984 30 951 people went from South Africa to Botswana, mostly as tourists. No figures are available of traffic the other way.

**VETERINARY COOPERATION:** Botswana was supplied with 471 270 doses of animal vaccine by South Africa in 1983-4.

**HEALTH:** South African hospitals treated 81 patients from Botswana in 1983-4 and 6 602 doses of human vaccine were supplied to Botswana.

**EDUCATION:** 323 students from Botswana were enrolled in South African higher education institutions between 1979 and 1985.

### On Swaziland

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

[Text]

**TRADE:** The railway line to Maputo gives Swaziland some independence from South Africa but the line is subject to MNR attacks.

As it is Swaziland makes extensive use of the South African system and in 1984-85 SATS carried 839 983 tons of Swazi exports to South African ports. It brought in 291 924 tons of imports — only 36 793 coming from countries other than SA.

In financial terms, South Africa supplied R512 million of Swaziland's total imports of R609 million in 1983.

**LABOUR:** 16 773 Swazis

worked legally in South Africa in 1983, putting R32 million into their country's economy.

**POWER:** Although it has coal and some hydro capacity Swaziland gets most of its electricity — 79 percent in 1984 — from South Africa. All of the country's petrol comes from South Africa.

**TRANSPORT:** Swaziland has 19 steam and one diesel locomotives on hire from SATS and in May there were 255 SATS railay trucks on Swazi lines. Swazi Air operates

scheduled flights to South Africa.

**TOURISM:** 42 439 people visited South Africa from Swaziland in 1984 and 46 598 went the other way.

**VETERINARY COOPERATION:** Swaziland received 15 323 doses of animal vaccine from South Africa in 1983-84.

**HEALTH:** In 1983-84 Swaziland sent 76 patients to South African hospitals and received 3 407 doses of human vaccine.

**EDUCATION:** 624 Swazis studied at SA institutions of higher education between 1979 and 1985.

### On Malawi

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

[Text]

**TRADE:** AS rail links to the sea through Nacala and Beira in Mozambique have since 1985 been closed by MNR attacks, Malawi relies on a combination of road and rail links through Zambia and South Africa.

This is estimated to have added more than R300 million to the cost of Malawi's exports in 1985.

Most of Malawi's exports go to Britain and Europe but South Africa is its biggest source of imports, supplying 40 per cent in 1984 against 13 per cent from Britain.

SATS in 1984-85 carried 24 391 tons of exports from Malawi, of which 19 788 tons was shipped overseas. SATS

moved 8 282 tons of imports to Malawi, of which 5 851 came in from overseas.

In 1984-85 SATS carried more more air cargo to Malawi — 2 852 972 kg — than to any other Southern African state.

**LABOUR:** South Africa provides employment for about 30 000 Malawians. In 1984 the 29 612 Malawians legally employed there remitted R51 million to Malawi — about 17 per cent of its gross national product.

**POWER:** Malawi gets none of its power or petrol from South Africa.

**VETERINARY COOPERATION:** Malawi is the third biggest user of South African animal vaccines among the neighbouring countries, taking 258 360 doses in 1983-84.

**TRANSPORT:** The Malawi and SA airlines exchange scheduled services.

**TOURISM:** The tourist flow from South Africa has increased in recent years but no figures are available.

**HEALTH:** Malawi sent 34 patients to South African hospitals in 1983-84 and received 400 doses of human vaccine.

**EDUCATION:** 2 668 Malawians enrolled in South African higher education institutions between 1975 and 1985.

## On Zaire

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

### [Text]

Zaire could be affected by sanctions against South Africa in that it relies on the Republic's transport system.

The lack of a rail link between southern Zaire and the main port of Matadi on the Atlantic, together with the blocking of the Benguela line by the Angolan civil war, has led to heavy reliance by the south on the rail links through Zambia. The cutting of the Mozambican railways and the inadequacy of the Tazara line has extended this reliance to the South African harbours.

About 57 per cent of Zaire's imports go through South Africa and 45 percent of its copper, 65 percent of its lead and 40 percent of its cobalt exports pass through the Republic.

SATS carried 278 936 tons of exports from Zaire in 1984-85, nearly all of which passed out through South African ports. In the same year SATS moved 81 801 tons of South African goods into Zaire and 33 703 tons of goods were imported through South African ports.

Zaire at present has nine diesel locomotives on hire from SATS and in May there was a daily average of 2 300 SATS railway trucks on Zairean and Zambian lines.

Recent trade figures are not available but as far back as 1978 South Africa was Zaire's fifth largest supplier of imported goods, supplying more than countries such as Britain, Japan and Zimbabwe. South Africa was the ninth largest buyer of Zairean exports.

## On Zimbabwe

Johannesburg THE SUNDAY STAR in English 6 Jul 86 p 15

### [Text]

**TRADE:** Although Prime Minister Robert Mugabe's Government has taken an increasingly hostile attitude towards Pretoria in international forums, South Africa remains Zimbabwe's biggest trading partner and the conduit for the vast majority of its overseas trade.

There are serious discrepancies in available statistics on the volume of Zimbabwean trade passing through the Republic, but all the figures nevertheless confirm Zimbabwe's heavy reliance on South Africa.

Most of Zimbabwe's foreign trade passes through South Africa because there is no other way.

Estimates range from 68 to 90 percent of Zimbabwe's exports going through or from South Africa and 65 to 80 percent of its imports going through or to the Republic.

The country's natural outlet to the sea, Beira in Mozambique, can handle only a small part of Zimbabwe's foreign trade for the reasons detailed in the article on the opposite page.

According to a British study, Beira can handle only about 800 000 tons of Zimbabwe's annual export-import volume of about 8 000 000 tons.

The balance moves through South Africa's railway and harbour system with a proportion of that (no figures available but probably only a small percentage) feeding out of or into the South African system through Maputo.

In 1984 South Africa took 18,3 percent of Zimbabwe's exports and supplied 19,3 percent of its imports.

The next biggest trading partner was Britain, with about 12 percent in each case.

Last year Zimbabwe's exports to South Africa fell behind those to Britain with the decline in the rand, but South

Africa remained the main supplier of Zimbabwe's imports, supplying R230 million worth against Britain's R130 million.

South Africa remained the main trading partner with an overall two-way trade figure of R382 million.

South African Transport Services say they moved 1 175 098 ton of imports to Zimbabwe in 1984-85, of which 444 752 were from overseas, which would mean 730 346 originated in South Africa.

In that year SATS trains moved 797 281 tons of exports from Zimbabwe but only 96 616 tons went out through South African ports, indicating that the major portion either remained in South Africa or was re-exported later, possibly after being processed.

**LABOUR:** Relatively few Zimbabweans work in South Africa — only 7 742 officially in 1983 — but their deferred pay and remittances put nearly R9 000 000 into Zimbabwe's foreign exchange coffers.

**POWER:** The Beira pipeline

makes Zimbabwe independent of South Africa for fuel imports.

Nearly all her electric power is generated internally.

**COMMUNICATIONS:** Satellite linkage has made Zimbabwe independent of South Africa for telecommunications. South Africa and Zimbabwe exchange scheduled air services.

**TOURISM:** The tourist trade has been brisk and has big potential.

In 1984 74 442 South Africans visited Zimbabwe and 196 681 Zimbabweans went to the Republic — 151 754 as tourists.

**VETERINARY COOPERATION:** South Africa supplied 1 647 239 doses of animal vaccines to Zimbabwe in 1983-84.

**HEALTH:** South African hospitals treated 182 Zimbabwean patients in 1983-84 and 3 200 doses of human vaccines were supplied.

**EDUCATION:** Between 1979 and 1985, 11 817 Zimbabwean students enrolled at South African higher education institutes.

/9274

CSO: 3400/264

SOUTH AFRICA

LIST OF RELEASED DETAINEES BY GEOGRAPHICAL REGION

Johannesburg THE WEEKLY MAIL in English 4-10 Jul 86 p 6

[Text] The press may not name detainees. But some insight can be gained from this list of people known to have been released. Note, however, that proportionally more whites have been released than blacks. The third column indicates date of detention, the fifth column gives the date of release

**PRETORIA/WITWATERSRAND/VEREENIGING**

BIRD	Adrienne	12/06/86	Johannesburg	25/06/86	MAKU
BONNER	Christine	12/06/86	Johannesburg	25/06/86	CWIU
CAMAY	Piroshaw	12/06/86	Johannesburg	25/06/86	CUSA
DOOLEY	Helen	27/06/86	Johannesburg	27/06/86	
HARNDEN	Joy	15/06/86	Johannesburg	28/06/86	JODAC/ECC/Black Sash
HART	Maxine	12/06/86	Johannesburg	26/06/86	JODAC
HARTFORD	Dirk	15/06/86	Johannesburg	26/06/86	COSATU
HELLER	Kim	27/06/86	Johannesburg	27/06/86	
KISTNER	Liz	15/06/86	Johannesburg	28/06/86	TRAC
KISTNER	Ulrike	16/06/86	Johannesburg	17/06/86	
KRALLMANN	Eckhard	15/06/86	Johannesburg	deported	JODAC
LUPHIZI	Gladstone	19/06/86	Soweto	20/06/86	SOSCO
MAHLATI	Kondanto	15/06/86	Soweto	17/06/86	BSS
MALGAS	Oscar	12/06/86	Johannesburg	25/06/86	CCAWUSA
MASEKO	Sandile	19/06/86	Soweto	20/06/86	SOSCO
MAZIBUKO	John	12/06/86	Duduza	26/06/86	Duduza C.A.
McFARLANE	Veronica	15/06/86	Johannesburg	28/06/86	JODAC
MCKAY	Anne	25/06/86	Johannesburg	25/06/86	ECC/JODAC
MOKOENA	Gerald	21/06/86	Soweto	25/06/86	
MURRURE	Mandla	19/06/86	Soweto	20/06/86	SOSCO
NKOTHE	Fikile	19/06/86	Soweto	20/06/86	SOSCO
NTAKA	Gertrude	13/06/86	Benoni	13/06/86	
SADIE	Steve	15/06/86	Johannesburg	28/06/86	JODAC
SADIE	Marilyn	15/06/86	Johannesburg	28/06/86	JODAC
SCHMID	Jeanette	15/06/86	Johannesburg	28/06/86	JODAC/ECC
SMIT	Sandy	15/06/86	Johannesburg	28/06/86	JODAC/ECC
STEWART	Peter	15/06/86	Johannesburg	28/06/86	JODAC
TIFFLIN	Dale	12/06/86	Johannesburg	25/06/86	CUSA
VALLY	Basheer	12/06/86	Johannesburg	25/06/86	CCAWUSA
WATTERS	Chris	17/06/86	Johannesburg		
WILLIAMSON	Sue	19/06/86	Johannesburg		JODAC
WILLIAMSON	Arthur	19/06/86	Johannesburg		JODAC
TRANSVAAL COUNTRY					
MATTHEWS	Solly	17/06/86	Potchefstroom	25/06/86	CUSA
MOLOANE	Grace	19/06/86	Rustenburg	25/06/86	CCAWUSA
MOUMAKNA	Tscko	17/06/86	Potchefstroom	25/06/86	CUSA
O'LEARY	Sean	15/06/86	KwaNdebele	21/06/86	

**EASTERN CAPE**

COLLUM	?	12/06/86	Grahamstown	22/06/86	ECC
MATROOS	Julius	22/06/86	Port Elizabeth		COSATU

## WESTERN CAPE

ABRAHAMS	David	12/06/86	Cape Town	20/06/86
ABRAHAMS	Gregory	12/06/86	Cape Town	22/06/86
ADAMS	Bethina	12/06/86	Cape Town	20/06/86
ADONIS	Myra	17/06/86	Cape Town	20/06/86
AHMED	Amin	17/06/86	Cape Town	20/06/86
ALBERTUS	Anwar M.	19/06/86	Worcester	25/06/86
ALBERTUS	Anwar	12/06/86	Cape Town	24/06/86
ARENDE	William	12/06/86	Cape Town	20/06/86
ASBEY	Rooney	12/06/86	Cape Town	20/06/86
ASHMOODIA	Nazeen	17/06/86	Cape Town	20/06/86
BARNARD	Charles	12/06/86	Cape Town	20/06/86
BASSIEK	Willie	12/06/86	Cape Town	20/06/86
BLAAUW	Moffat	12/06/86	Cape Town	20/06/86
BOSMAN	Rodney	15/06/86	Cape Town	20/06/86
BROWN	Valencia	17/06/86	Cape Town	20/06/86
BROWN	Danny	17/06/86	Cape Town	20/06/86
CHRISTIAANS	Jeremiah	12/06/86	Cape Town	20/06/86
CLAASEN	Quinton	17/06/86	Cape Town	20/06/86
DAVROSS	Bettie	17/06/86	Cape Town	
DANIELS	Louise	17/06/86	Cape Town	20/06/86
DAVIDS	Kevin	12/06/86	Cape Town	20/06/86
DE BRUIN	Trevor	12/06/86	Cape Town	24/06/86
DE BRUYN	Trevor V.G.	19/06/86	Worcester	25/06/86
DIAMOND	Nimrad	12/06/86	Cape Town	20/06/86
DOHERTY	Scott	12/06/86	Cape Town	18/06/86 <b>deported</b>
ESTER	Charlene	15/06/86	Cape Town	20/06/86
FICK	Leslie	17/06/86	Cape Town	20/06/86
FISHER	Martin	12/06/86	Cape Town	20/06/86
FORTUIN	Charmaine	12/06/86	Cape Town	20/06/86
FORTUNE	Grace	12/06/86	Cape Town	20/06/86
FORTUNE	Dennis	12/06/86	Cape Town	20/06/86
FOURIE	Armien	12/06/86	Cape Town	20/06/86
GASEBY	Elise	17/06/86	Cape Town	20/06/86
GEORGE	Jerome	15/06/86	Matroosfontein	20/06/86
GOVATH	Jacqueline	12/06/86	Cape Town	20/06/86
GROOTBOOM	Richard	17/06/86	Cape Town	20/06/86
HERMANUS	Susan	12/06/86	Cape Town	20/06/86
HILL	Jackie	12/06/86	Cape Town	20/06/86
JACKSON	Joshua	12/06/86	Cape Town	20/06/86
JACKSON	Glenda	12/06/86	Cape Town	22/06/86
JACKSON	Manuel	12/06/86	Cape Town	20/06/86
JACOBS	Stanley	12/06/86	Paarl	20/06/86
JOB	Hazel	17/06/86	Cape Town	20/06/86
JOHANNES	Richard	12/06/86	Cape Town	20/06/86
JOHNS	Barry	15/06/86	Cape Town	20/06/86
JONATHAN	Stanley	12/06/86	Cape Town	20/06/86
JURIES	Robin	12/06/86	Cape Town	20/06/86
KAWIE	Richard	12/06/86	Cape Town	20/06/86
KOOPMAN	Natimal	12/06/86	Cape Town	20/06/86

## WESTERN CAPE

KOOPMAN	Andre	17/06/86	Cape Town	24/06/86
LAYBURN	Father	17/06/86	Cape Town	20/06/86
LEKAY	Brenda	12/06/86	Cape Town	20/06/86
LEKAY	Christiaans	12/06/86	Cape Town	20/06/86
LIGHT	Clinton	12/06/86	Cape Town	20/06/86
LOUW	Joshua	17/06/86	Cape Town	20/06/86
LOUW	Wayne	12/06/86	Cape Town	20/06/86
LOUX	Joseph	12/06/86	Cape Town	20/06/86
MADALA	Andrew	17/06/86	Cape Town	20/06/86
MANUEL	Thomas	12/06/86	Cape Town	20/06/86
MARTINE'S	John	12/06/86	Cape Town	20/06/86
MARTINUS	Chris	12/06/86	Cape Town	20/06/86
MEYER	Timorhy	12/06/86	Cape Town	20/06/86
MEYER	Anthony	12/06/86	Cape Town	20/06/86
OCKHUIS	Hendrick	12/06/86	Cape Town	20/06/86
OCKHUIS	Dirk	12/06/86	Cape Town	20/06/86
OCKHUIS	Stoffel	12/06/86	Cape Town	20/06/86
PHILANDER	Desmond	12/06/86	Cape Town	20/06/86
PHILIPS	Ronald	17/06/86	Cape Town	20/06/86
PHILIPS	Jackie	17/06/86	Cape Town	20/06/86
PIETERS	Bernice	17/06/86	Cape Town	20/06/86
PIETERSEN	Brenda	17/06/86	Cape Town	20/06/86
PIETERSEN	Lillian	17/06/86	Cape Town	20/06/86
PRETORIUS	Anthony	12/06/86	Cape Town	20/06/86
PRETORIUS	Mervyn	17/06/86	Cape Town	20/06/86
PRICHARDT	Yolanda	12/06/86	Cape Town	20/06/86
RAMBOLD	Dennis	17/06/86	Cape Town	20/06/86
RAMORA	Susan	12/06/86	Cape Town	20/06/86
RAMORA	Arlene	12/06/86	Cape Town	20/06/86
REEDLINGHUIS	Mary	12/06/86	Cape Town	20/06/86
ROUX	Lena	12/06/86	Cape Town	22/06/86

SABOR.	Neville	12/06/86	Cape Town	20/06/86
SAFF	Cedric	17/06/86	Cape Town	20/06/86
SAFF	Sarel	17/06/86	Cape Town	20/06/86
SAFF	Daniel	17/06/86	Cape Town	20/06/86
SAFF	Pietie	17/06/86	Cape Town	20/06/86
SAFF	Joy	17/06/86	Cape Town	20/06/86
SAFF	Ernest	17/06/86	Cape Town	20/06/86
SAMUEL	Byron	12/06/86	Cape Town	22/06/86
SAMUELS	Edward	12/06/86	Cape Town	20/06/86
SAMUELS	Bernard	12/06/86	Cape Town	20/06/86
SEPTEMBER	Brian	17/06/86	Cape Town	20/06/86
SICILY	Dion	12/06/86	Cape Town	20/06/86
SIMONS	Wilhelmina	12/06/86	Cape Town	20/06/86
SIMONS	Maria	12/06/86	Cape Town	20/06/86
SIMONS	Sophia	12/06/86	Cape Town	20/06/86
SIRIMJA	Arlene	12/06/86	Cape Town	20/06/86
SKELL	Felicity	17/06/86	Cape Town	20/06/86
SWARTZ	Noleen	12/06/86	Cape Town	20/06/86
SWARTZ	Joan	12/06/86	Cape Town	20/06/86
THOMPSON	Zelida	17/06/86	Cape Town	20/06/86
THORNTON	Helene	17/06/86	Cape Town	22/06/86 ECC
TIMOTHEUS	Deborah	12/06/86	Cape Town	20/06/86
VAN HOUSTEN	Dan	12/06/86	Cape Town	20/06/86
VAN NIEKERK	Marion	17/06/86	Cape Town	20/06/86
VENTURA	Alan	17/06/86	Cape Town	20/06/86
VENTURA	Mr.	17/06/86	Cape Town	20/06/86
VILJÖEN	Anthony	12/06/86	Cape Town	20/06/86
WENS	Patrick	12/06/86	Cape Town	20/06/86
WILLIAMS	Rod	12/06/86	Cape Town	18/06/86
ZIEGLER	Peter	17/06/86	Cape Town	20/06/86

## NATAL

BADENHORST	Martin	21/06/86	Cedara	25/06/86
BOULLE	Jacqui	12/06/86	Pmaritzburg	25/06/86 ECC
DAVID	Sylvester	21/06/86	Cedara	25/06/86
DOCHERTY	Stephen	21/06/86	Cedara	25/06/86
ERNST	Heinz A.	15/06/86	Cedara	deported
HARRIS	Derick	21/06/86	Cedara	25/06/86
HENDRICKSE	Alan	21/06/86	Cedara	25/06/86
HOUSTON	Derek	21/06/86	Cedara	25/06/86
JANA	Gabriel	21/06/86	Cedara	25/06/86
KHUMALO	Edward	21/06/86	Cedara	25/06/86
KNEIFFEL	Theo (Fr)	12/06/86	Cedara	deported Pmb Church Agency
MOILA	Lazarus	21/06/86	Cedara	25/06/86
NTOLI	Jabulani	21/06/86	Cedara	25/06/86
PROCTOR	Brendan	21/06/86	Cedara	25/06/86
SAMSON	Jan	21/06/86	Cedara	25/06/86
SHABANGU	Boniface	21/06/86	Cedara	25/06/86

## CISKEI

DYARPYI	Themba	12/06/86	Dimbaza	12/06/86
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## UNKNOWN

HATTIG	Walter	15/06/86	
SEFILE	?	12/06/86	26/06/86 SAAWU

**RESTRICTED** Reports on these pages have been censored  
to comply with Emergency regulations

/9274

CSO: 3400/273

LCR DIRECTOR SAYS CITIZENSHIP ISSUES IN 'SHAMBLES'

Johannesburg BUSINESS DAY in English 10 Jul 86 p 5

[Article by Claire Pickard-Cambridge]

[Text]

DETERMINING whether a black is an SA citizen once government has enacted the Restoration of SA Citizenship Bill will be a "complete shambles", says Legal Resources Centre director Geoff Budlender.

Speaking in Johannesburg yesterday on the abolition of influx control, he said government's view was that the citizenship Bill would affect only blacks who were permanent urban residents holding Section 10 rights.

But determining SA citizenship was certain to be a shambles because:

- After the July 1 abolition of influx control blacks would object to having old reference books checked to see if they had Section 10 rights;
- There was no machinery to examine whether someone had Section 10 rights, because administration boards had been dismantled; and
- New identity books did not record if someone held Section 10 rights.

The most fundamental objection to the citizenship Bill was that it affected only 1.7-million people — 20% of the citizens of Transkei, Bophuthatswana, Venda and Ciskei (TBVC), Budlender said.

While he believed the Abolition of Influx Control Act heralded fundamental change for thousands of blacks, citizenship would remain a major form of influx control for 7-million TBVC citizens who would remain "aliens".

Discussing what the abolition of influx control meant for employers, Budlender said: "In general terms, it will no longer be a requirement to obtain permission from anybody to employ someone, although this is influenced by the citizenship question."

But as far as employers were concerned, there was no legal obligation for them to ensure a potential employee had housing.

This did, however, present a problem for employees.

/9317  
CSO: 3400/289

## SOUTH AFRICA

### BLACK SASH PRESIDENT ON CITIZENSHIP, DOCUMENTATION QUESTIONS

#### ID Applicants Encounter Confusion

Johannesburg THE STAR in English 11 Jul 86 p 9

[Article by Jo-Anne Collinge]

[Text]

Workers in advice offices have been told not to accept the official line as the final word on the new citizenship and identification laws.

The warning comes from former Black Sash president and Johannesburg advice office director Mrs Sheena Duncan.

She says: "In the first two days of July we had two examples of wrong information given to applicants for identity documents."

A Xhosa-speaking man, who had perma-

nent urban rights under the old pass laws and who lived at Ekangala near Bronkhorstpruit, had been told — incorrectly — that he could not have a new identity document unless he had owned his house for five years.

In the second instance a young Zulu-speaking man applied for his document at the office of Home Affairs — which had previously not dealt with black applicants.

"He was told he would have to take the

application form to the old Bantu Commissioner's office to have his fingerprints taken as the equipment was not available at the 'white' office," Mrs Duncan said.

"When he got there with a baptismal certificate (the Government pamphlet about IDs calls for a birth OR baptismal certificate) he was shouted at for daring to be at a 'white' office and was told his application would not be accepted until he had a birth certificate."

#### Regaining Citizenship Poses Problems

Johannesburg THE STAR in English 11 Jul 86 p 9

[Text]

Many blacks who became "foreigners" when various homelands became independent and who want their South African citizenship back are likely to find themselves grappling with two slippery concepts — "permanent residence" and "lawful residence".

In most cases citizens of Transkei, Bophuthatswana, Venda and Ciskei (the TBVC countries) need to establish both permanent and lawful residence in SA.

Former Black Sash president Mrs Sheena Duncan says there are no black aliens with permanent residence permits. "Yet both the Restoration of Citizenship Act and the Identification Act talk of people who are 'permanently resident' in South Africa."

She suggests that in the absence of watertight legal definitions, the following classes of TBVC citizens should assume they are permanent residents:

- People who have never lived in any independent homeland and who live anywhere else in SA *whether or not* they have permission to live where they do.
- People who have lived in independent homelands but who left the homeland concerned before it became independent, *whether or not* this was done with official sanction.
- Those who had obtained urban residence rights before June 30 this year in terms of section 10 (1) (a), (b) or (c) of the old Urban Areas Act.
- Migrant workers who first left the homelands on contract before independence and who have lived in "white" South Africa ever since.
- Anyone who has been sold or rented a site or house in a black township.
- Anyone who came to South Africa — before or after independence — and obtained "some kind of official permission to reside in SA" with his family.

The question of "lawful" residence is, if anything, more tricky than that of "permanent" residence, Mrs Duncan suggests. In the usual sense foreigners gain lawful residence in South Africa when they are given permission by a passport control officer to be here. But this doesn't fit the case of TBVC "foreigners" although it may apply to what Mrs Duncan calls "real foreigners".

She says: "Those who left the homeland before independence or who have never lived in the homeland have always been resident in the Republic and must surely be lawfully resident here."

People who hold TBVC documents and who cannot claim both lawful and permanent residence in SA will have to see about reclaiming South African citizenship before they contemplate getting a new SA identity document.

Advice offices run by the Black Sash, churches and civic associations will help people to make such applications.

#### Millions 'Worse Off' Under New Influx System

Johannesburg THE STAR in English 11 Jul 86 p 9

[Text]

Millions of citizens of the four independent homelands are in a much worse position under the new influx system than they were under the old pass laws, claims former Black Sash president Mrs Sheena Duncan.

She points out that she is not talking of "an insignificant minority" but of most of the nine million people stripped of their South African citizenship when Transkei, Bophuthatswana, Venda and Ciskei became independent between 1976 and 1981.

Residents of the TBVC homelands will still have to be recruited as contract labour from their homelands in terms of inter-governmental pacts.

"Migrant workers from the TBVC homelands are now in

exactly the same position as workers from proper foreign countries, such as Lesotho."

They no longer have even the old option of gradually qualifying through long-service for "Section 10" urban residence and work-seeking rights.

"I fear they will be prejudiced in the job market. Employers who can now employ anyone who has an identity document without any red tape at all are unlikely to go to the trouble of seeking permission to employ foreigners whose registration is temporary," says Mrs Duncan.

"Nine million people — more than one third of the black population of South Africa — had their citizenship taken away from them through the inde-

pendence of the homelands. Five million of them reside within these homelands and have no hope of getting South African citizenship back and will therefore never enjoy freedom of movement in South Africa.

"Of the four million resident outside the TBVC homelands, 1 751 000 are likely to have South African citizenship restored to them, according to Home Affairs Minister Mr Stofel Botha.

"Some of the others may not get citizenship but may get the new identity documents showing they are permanent residents of South Africa. The rest will be in the same position as the five million living within the TBVC homelands."

/9317  
CSO: 3400/289

## EMPLOYER BODIES FEAR BLACK UNION MERGERS

Johannesburg BUSINESS DAY in English 10 Jul 86 p 5

[Article by Mike Collins]

[Text]

AS THE pendulum of organised labour gains momentum, employer bodies fear that black union mergers threaten their survival.

Johannesburg Chamber of Commerce (JCC) labour adviser Andre Malherbe says industry bosses are realising that the development of a strategy to counter union muscle must be given urgent priority.

"Open competition in the marketplace is fundamental to the free enterprise system, but the ability to compete must rest on survival.

"The sharing of information regarding trade union activity and the development of an industry-wide strategy to face up to an industry-wide union is a survival exercise," he says.

He adds that when the Congress of South African Trade Unions (Cosatu) was formed, one of its stated objectives was that workers should be organised into unions on the basis of one union per industry.

But, because the major portion of the black labour force was either unskilled or semi-skilled, the traditional pattern of a union based on the craft of its members did not fit.

During the latter part of last year, Cosatu began concentrating on merging its affiliated unions to the 10 national unions.

The executive set a deadline of May 31 for this to be achieved.

"It would seem as if the exercise has failed. It is already July and the one union per industry has not materialised. But is this perception

correct? I think not," says Malherbe.

The first merger of Cosatu unions took place in Maritzburg in May with the amalgamation of the Transport and General Workers' Union and the General Workers' Union.

The new Transport and General Workers' Union has about 26 000 members in the transport, security, cleaning and building supply sectors.

A second merger took place a week later with more than 60 000 members from at least five unions in the food, canning, retail and general workers' unions coming under the umbrella of the new Food and Allied Workers' Union.

Now employers in the metal and allied sectors are facing the spectre of a giant union emerging from talks between the National Automobile and Allied Workers' Union, the Metal and Allied Workers' Union and the Motor Industry Combined Workers' Union, which have a combined membership of more than 100 000.

Malherbe says of these mergers: "On the positive side, it will minimise the inter-union rivalry and could lead to a more orderly industrial relations structure. On the negative side, the one union per industry adds an immense amount of muscle to the union arm."

He adds that employer bodies are now being warned that, unless they adopt a uniform strategy, the unions are going to play one company off against another.

/9317  
CSO: 3400/289

CONFERENCE CALLS FOR PLANNING NEW EDUCATION ORDER

Professor Speaks

Johannesburg THE WEEKLY MAIL in English 11-17 Jul 86 p 4

[Article by Barbara Ludman]

[Text]

"THE New Education will have to deal with the aftermath of the conflict between two nationalisms, African and Afrikaner.

"It will have to deal with the aftermath of ethnic fragmentation and the accompanying ethnic habit of mind: the habit of trying to survive each other — black and white, black and black."

Professor Es'kia Mphahlele, head of the division of African literature in the Department of Comparative Literature, University of the Witwatersrand, was addressing the closing session of a three-day educational conference in Johannesburg on Saturday.

The conference was organised by the Montessori Society of South Africa.

And while Mphahlele said little about Montessori *per se*, the child-centred nature of the new education he outlined appeared to have much in common with the educational system devised by Dr Maria Montessori to enhance the educational opportunities of culturally-deprived Italian slum children.

Warning "there can be no sound education for all while this country is ethnically or racially fragmented as it is", he nevertheless listed a number of "imperatives" to be considered when planning "new curricula towards a progressive education for the greater South Africa". Among them:

● A new, humanistic — as opposed to authoritarian — philosophy of education;

● A child-centred education — "rather than the present system that places the authority and dictates of teacher and government at the centre".

The recipient of New Education must necessarily, he said, "be accorded the opportunity and right to create his own learning environment, at present imposed by teacher and state as a means of control".

Strong, freely-elected SRCs can "promote the creation of such an environment", he noted.

"A considerable factor in the present students' revolt must be seen as a rejection of their learning environment which approximates army barracks";

● The right of parents to send children to open institutions with community-based parent-teacher associations to monitor the learning environment;

● The right of "regional institutions that can be identified as cultural units, eg those in rural areas" to inject relevant material into the curricula and syllabuses.

● An emphasis on "non-formal alternative learning and night school for adult education".

"It is in the alternative-education setting where we recognise most

clearly, that we are educating for community development," he said;

● Early childhood learning for black communities, "traditionally at the bottom of the scale of government concern, must claim the official acknowledgement and promotion it deserves".

"It is the view of intellectual cynics that education does not change existing political and economic structures," he said.

"The view, one suspects, is a result of the general one of education as an institution of certificates and diplomas

rather than as *process*; as knowledge as a packaged commodity to be acquired over the counter and consumed, rather than as an *act of knowing* and establishing relationships between phenomena and human activities ...

"At grassroots level, where black people traditionally operate, education cannot be taken for granted. Here the printed word alone takes on an almost magical independent life; with a potential to stimulate inquiry, a sense of adventure, and the longing for mastery of one's environment, for the ability to discover."

### Where To Spend Money

Johannesburg THE WEEKLY MAIL in English 11-17 Jul 86 p 4

[Text]

WHEN more than half the children in black schools fail at least once between Grade 1 and Std 2, should pre-school bridging programmes be installed?

Or should limited resources rather be spent on improving the Grade 1 curriculum?

A paper delivered at last week's Montessori conference by Christine Liddell of the Institute for Behavioural Sciences at Unisa would tend to favour the second approach.

More than 50 percent of black working women in South Africa have children of pre-school age, she noted, and listed three alternatives for child care: an elitist option, "in which funds are allocated primarily to children showing early promise"; the option for disadvantage, "in which funds are devoted primarily to children living in conditions of extreme deprivation"; and a third option, involving "providing a minimum standard of care for as many children as possible, regardless of their prospects of abilities".

Given that a limited amount of money has been designated for black pre-school programmes, she said she would chose the third.

"This may be inimical to the educational philosophy of most people attending this conference," she said, "but it may be the most pragmatic solution in the present circumstances."

That it could also help to "preserve children's normal development" is indicated by the results of research undertaken in an overcrowded township creche near Pretoria; a day school run for Bushman children living in an SADF settlement in Namibia; and, as a baseline, in high-grade British and American nursery schools.

All groups were "assessed through naturalistic observations of free play ... long accepted as a means of establishing levels of pre-school competence."

Conditions were markedly different in each group.

In the township school, there were 83 children in a classroom, with a teacher/child ration of one to 42; there were no adult-led educational activities, no building blocks, no paints — but 55 intact toy cars, teapots and dolls and 71 broken examples of the same.

In the Namibian day school, "toys and educational materials are not readily available ... the only formal educational material observed was a single story book, and children were observed playing with toys only three percent of the time".

Yet "results indicated that there was no evidence of abnormality in the township children's social behaviour or patterns of activity, despite the adverse conditions under which they spent most of their day. Unexpectedly, factors like overcrowding, high child:staff ratio, absence of formal teaching, and poor access to educational materials had not resulted in abnormal patterns of free play and activity".

Patterns in the Bushman day school were "almost identical" to those in the

township sample.

"Taken as a whole," she said, "this research ... suggests that neither low-grade custodial care nor conditions of considerable deprivation at home have any marked effects on developmental status as measured by assessments of free play..."

"These findings suggest that many children may be starting school with acceptable levels of social and environmental competence, having coped with multiple deprivation. Their subsequent failure during primary school may be caused by quite different factors..."

"This suggests that much attention could be fruitfully devoted to modifications of the Grade 1 curriculum."

/9317  
CSO: 3400/283

SOUTH AFRICA

BRIEFS

TV, PRESS INFLUENCE--The majority of English-speaking South Africans don't watch TV news bulletins. Only 39,8 percent of the white audience tuning in to English TV news is English-speaking. The rest are Afrikaans-speaking. The figure for the number of English-speaking people who watch Afrikaans news is 28,4 percent. These figures were given at the annual meeting of the FAK (Federasie van Afrikaanse Kultuurverenigings) yesterday in Johannesburg. Dr Andries J.G. Oosthuizen, a member of the President's Council, said TV was the medium which gave the Afrikaans language the largest exposure. This was not the case in the newspaper industry, he said. English newspapers had a market share of nearly 78 percent. "Especially illuminating is the vast influence of English papers on black and Asian readers. Nearly half an English daily paper's readers is black. "In the case of Afrikaans dailies, the figure for Asian and black readers is less than five percent," Dr Oosthuizen said. "This indicates that black and Asian readers are, in a one-sided manner, exposed to opinion-forming by the English Press. Views through the Afrikaans Press do not reach them. "And unknown is unloved," Dr Oosthuizen said. [Text] [Johannesburg THE STAR in English 11 Jul 86 p 9] /9317

CSO: 3400/283

UNISA STUDY: SANCTIONS THREATEN ONE MILLION

Johannesburg SUNDAY TIMES in English 6 Jul 86 p 1

[Article by David Carte]

[Text] TOTAL trade sanctions would put more than a million South Africans out of work, says a major study by the University of South Africa.

The study — by Piet Nel of Unisa's Bureau of Market Research — says 84% of the jobs lost would be black.

Already 1.7-million blacks are unemployed or underemployed. If another 600 000 were laid off, 31.9% of all economically active blacks would be out of work.

The study into development and welfare of employees in SA is based on a scientific survey of more than 3 300 companies employing 52% of all job holders.

Professor Nel says the findings are a firm put-down to the notion that sanctions will cause a boom.

"Many think there will be an investment boom, as there was in Rhodesia, triggered by import replacement, but it is unlikely. SA has made its major investment in import replacement and cannot contemplate making many of the high-tech capital goods it now imports.

"When employers say a million jobs will be lost, that is a net figure, allowing for some investment in import-replacement industries."

The survey finds that a minimum of 3.6-million jobs will have to be created in SA in the next 15 years. If blacks are to attain the same state of employment as whites, 6.8-million new jobs are needed by 2000.

SA was able to generate only 7.72-million jobs in its 344-year history. In the past five years, a net 226 000 jobs were created.

### Capital shortage

An analysis of job creation from 1950 to 1985 shows that only from 1960 to 1970, when economic growth averaged 5.9%, did employment equal population growth.

"Thus the real rate of increase in economic activity will have to be extremely rapid if sufficient jobs are to be assured. To this end, enormous sums will have to be invested in the SA economy."

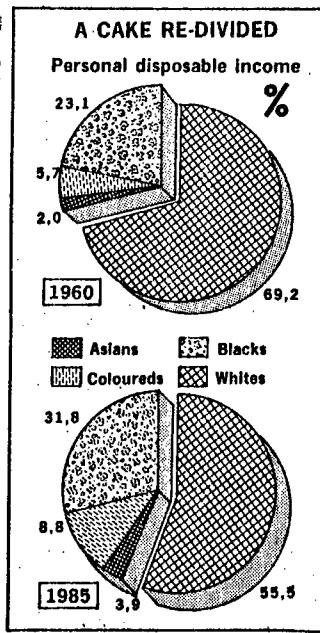
The survey says job-creating fixed investment has declined in the past five years, mainly because SA has been unable to attract sufficient long-term capital from abroad and because the rate of savings has fallen as wealth has been redistributed by tax from whites to blacks.

"South Africa is not in a position to make the necessary investments from domestic sources. Foreign enterprises and foreign capital are essential if the upliftment of the non-white population is to be continued."

Unisa's study on employees, black and white, in the economy, was funded by the SA Foundation, "but we sought no conclusions" says Michael Christie, general manager of the foundation.

Professor Nel and his researchers, who combined the results of their survey with official statistics and checked their findings against secondary scientific sources, found a marked improvement in the economic welfare of blacks in spite of sluggish economic growth for some years.

"Their share of the personal disposable income of the RSA has risen



from 32.3% in 1970 to 44.5% in 1985. A drastic redistribution of income has occurred since 1980. White incomes dropped by 17.9%. Non-whites gained not only the entire increase in real disposable income from 1980-1985 but the portion lost by whites as well" (see graph).

The main reasons were that real white wages from 1972-1985 rose by 0.3% as against 4.7% for blacks.

Professor Nel says: "The second factor which probably contributed most to this redistribution of income is the massive increase in direct tax paid by whites. In 1985, whites paid 15.7% of their income in direct tax as against 8.8% in 1980."

## Education

The survey also found that in terms of numbers good progress has been made with the education and training of blacks. The number trained in 1985, however, fell by 23% because of economic circumstances.

About 80% of employers surveyed believe they have an obligation to improve the social circumstances of black employees. Segregation at work remains common, particularly in cloak rooms. There is still discrimination in that a fifth of businesses do not follow a policy of equal pay for equal work.

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CSO: 3400/266

## SOUTH AFRICA

### AUSTRALIA LOSES MASSIVE WHEAT CONTRACT

Johannesburg THE CITIZEN in English 11 Jul 86 p 13

[Text]

AUSTRALIA has lost a massive contract to supply South Africa with 66 000 tons of wheat.

This comes in the wake of the ruling Australian Labour Party approving a set of limited anti-SA trade sanctions.

The Minister of Agricultural Economics and Water Affairs, Mr Greyl ing Wentzel, announced yesterday that the Government is to import 66 000 tons of wheat from America.

The contract was awarded to the company F R Warings.

According to reports, Australia delayed the announcement of the imposition of sanctions until news of who had received the tender was announced. Australia was informed late on Wednesday.

America, Australia and Canada tendered for the contract. According to the general manager of the Wheat Board, Mr Dennis van Aarde, all three tenders were very competitive.

He said the Wheat Board submitted the tenders to Mr Wentzel for his

final decision on who would get the tender. It is understood that Mr Wentzel's decision was influenced by Australia's political stance towards South Africa.

Mr Van Aarde said that Australia had an oversupply of wheat and no-one to sell it to.

He said South Africa at present consumed 2,2-million tons of wheat a year. This included the 150 000 tons it exported to neighbouring states.

He said due to economic conditions over the past 10 years, South Africa was only able to produce about 1,9 million tons of wheat a year. This meant it had to import wheat from overseas.

In his announcement yesterday, Mr Wentzel said the 66 000 tons of wheat South Africa was importing from US brings to 301 000 tons of wheat it has imported during the past few months. The breakdown was 55 000 tons from Canada, 90 000 tons from Australia and 156 000 tons from the US.

Mr Wentzel said the Government had been forced to import wheat because of unfavourable climatic conditions, es

pecially during the past few years.

He said contrary to other drought-stricken African countries, South Africa found itself in the favourable position of being able to supplement its food shortfalls through imports, which are settled for in cash.

"In addition, South Africa also supplies wheat to certain other African countries, which in the current year will entail deliveries of about 150 000 tons to neighbouring states."

He pointed out that until now, South Africa had not encountered any major obstacles to its trade with overseas countries and he hoped that, in light of possible trade sanctions, its trading partners would oblige their international treaty commitments..

"Should it, however, develop differently in future, the South African Government will perforce have to drastically review its purchasing policy from abroad."

He said further wheat supplies would, in all probability, have to be imported from overseas in the near future.

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CSO: 3400/266

## SOUTH AFRICA

### PAPER REPORTS ON RISING COST OF EMIGRATION

Johannesburg THE STAR in English 7 Jul 86 p 9

[Article by Michael Chester]

[Text]

The chicken run out of South Africa has become one of the costliest routes on earth.

But immigrants using the reverse route are cock-a-hoop.

The cause of the phenomenon is the prolonged slide of the exchange rate of the rand against all the main overseas currencies — made even steeper for migrants by the re-introduction of the financial rand hard on the heels of the foreign debt crisis.

The difference between a commercial rand and a financial rand becomes clear when prospective migrants start to calculate the cash implications of a move.

John X first had notions of quitting South Africa in 1976 when unrest hit Soweto and caused jitters in suburbia.

The United States sounded attractive. At least he was assured of picking up a handsome \$1,20 for every R1 he could muster from a modest bank balance, income from the sale of a house and car, and other assets.

Two years ago, with recession taking hold,

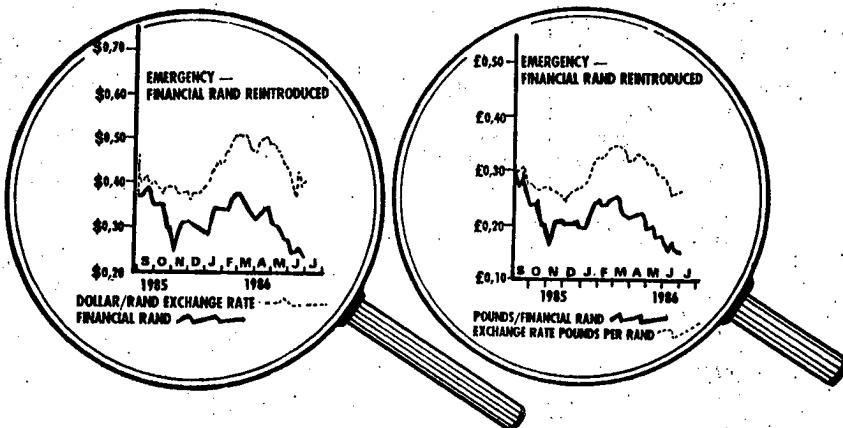
salaries falling behind inflation and unemployment spreading, he brought out his pocket calculator again.

To his horror, he found that R1 was worth little more than 70c US — only two-thirds of its value back in 1976.

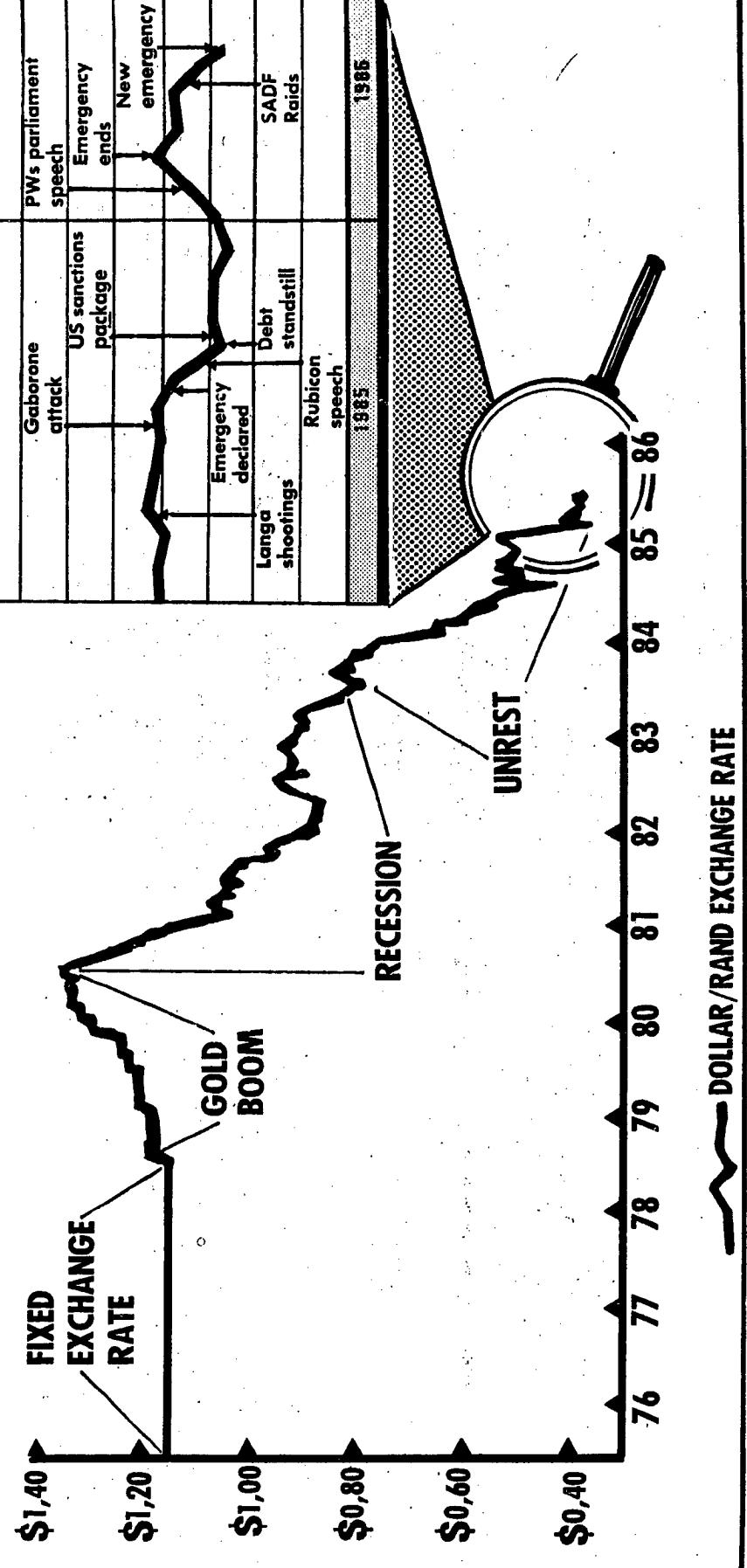
So the migration idea was shelved again until the state of emergency was declared on June 12. John X examined the situation again and was stunned to find not only was R1 now down to 40c US but in terms of the new financial rand it had nosedived to 22c or 23c US.

And it was now in financial rands that he had to work out the size of the family fortune. Nearly R5 to buy a single US greenback? R2 to buy a DM that cost only 50c two years ago? More than R6 to buy a British pound?

The only item to escape the financial rand is an annual travel allowance of R6 000 for an adult and R3 000 for a child under 12, which can be taken out in ordinary commercial rands.



## COMMERCIAL RAND



Jewellery and household effects to the value of R20 000 can be shipped overseas. So too can the family car ... as long as there is proof of 12 months' ownership.

Under the new exchange control laws, a family can leave with R100 000, calculated in financial rands. (The Reserve Bank can raise the ceiling in special circumstances, but the argument needs to be convincing).

All remaining assets — such as savings accounts and investments, perhaps even property that the emigrant decides to hang on to while he awaits a good offer — must be declared and transferred to the safekeeping of what the Reserve Bank calls an authorised dealer, usually a bank.

The assets are parcelled into a "blocked account", which stays pinioned under exchange control laws — *ad infinitum*, as things now stand.

The only tepid comfort is that income from assets is credited to the emigrant on commercial rand valuations and goes into a separate non-resident account, which is transferable — though there may be income tax to come off it.

The emigrant, from his new country, can instruct his bank to

move the assets around — savings into stocks or shares, or income from a property sale into a building society account, for instance — but certain transactions outside of the banking sector or the Johannesburg Stock Exchange need to be approved by the Reserve Bank.

Are there any loopholes?

"There were a few when the financial rand temporarily made an appearance in the late 1970s", says one bank manager.

"Complicated stock market 'bond washing' schemes escaped for a while. But the gaps have all been sealed by the new rules.

"The reasons for the reintroduction of the financial rand last year were purely to discourage disinvestment and capital outflows, and discourage a brain drain from the emigration of skills and talent.

"The risks of trying to skirt the rules are enormous".

The penalty for scams that break the exchange control rule-book can run to fines as high as R250 000, or five years in jail. Even both.

John X has shelved ideas about migration ... again.

Instead, he has written to his uncle in England telling him how worthwhile it would be for him to come to South Africa.

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CSO: 3400/274

ROLE OF FOREIGN INVESTMENT IN NATIONS MINES DECLINING

Johannesburg THE STAR in English 10 Jul 86 p 22

[Article by Sven Lunsche]

**[Text]** Politics and labour in South Africa — in addition to prospects for gold and other minerals — are playing an increasingly important role in shaping the attitudes of non-resident investors to South African mining shares.

The role of foreign investment in South African mines has declined over the last year, and brokers Davis Borkum Hare expect this trend to continue in the near future.

In a publication entitled "Foreign Holdings in South African Mining Shares" the brokers say: "Although there are not, apparently, any measures contemplated to block quotation of South African shares abroad, certain fund managers have been forced through political pressures to disinvest South African shares.

They add, however, that against the back ground of turmoil in overseas investment markets — where stocks and bonds are booming but the underlying economies tend to look fragile — it increasingly makes sense to invest in gold shares as "insurance".

"Should the rationale for buying gold continue to gain in validity, then South African shares will offer a stronger case for consideration than gold shares in Canada, Australia or the US, where 'insurance money' was first invested," the brokers say.

Davis Borkum Hare list the higher dividend yields, the better value of price earning ratios and the low price of South African gold shares in non-rand terms as the major reasons for possible future "insurance" investment in the country.

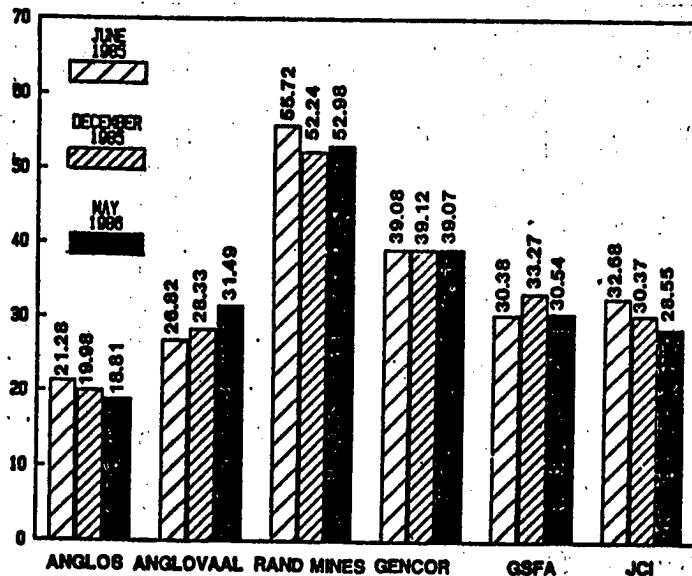
"The relatively tightly held nature of the South African gold share market, plus the good value offered by such shares, could cause significant rises in share prices should foreign investors change their attitude."

Over the last year, however, these factors have not been present and there has been a progressive decline in the foreign ownership of South African mining shares.

In 1984, and for the first quarter of 1985, foreigners were net purchasers of South African mining shares. However, for the remainder of 1985, and to date in 1986, foreign investors have switched to become net sellers of local shares.

The value of foreign holdings in the mines in May 1986 amounted to R20.3 billion, which in terms of the financial rand exchange rate amounts to \$5.1 billion.

"Although a higher gold dollar price and an improved rand helped generate some foreign buying of gold shares in late 1985 and early 1986, many foreign investors took advantage — particularly of the 40 percent



An analysis of foreign holdings of gold shares shows that the mines administered by Rand Mines were the most popular with foreign investors followed by Gencor group mines. But only in the case of Anglovaal group mines has there been an increase in foreign holding in the period June 1985 to May 1986.

improvement in the financial rand between November and February — to sell shares," Davis Borkum Hare say.

Between December 1985 and May 1986, the total number of mining shares held abroad fell from 28,45 percent to 26,60 percent of the total shares in issue, with foreigners lightening their holdings in mining shares virtually across the board.

US companies were the major disinvestors in the country — their percentage holding declined from 14,73 to 13,39 percent during the period — while UK-registered companies decreased their holdings from December's 9,96 percent to May's 9,38 percent.

Only continental companies, whose percentage holdings is

very limited anyway, slightly increased their interest in mining shares over the period by 0,1 percent to 3,82 percent.

Gold mines were hardest hit by the share disinvestment moves, coming largely from a decline of major US ownership in the marginal and shorter-life mines. The value of foreign holdings in gold mines was however still valued at a massive R11 billion.

Foreign ownership of South African gold mines by mining houses has declined overall. Only gold mining shares, administered by Anglovaal, showed an increase in the percentage holding by foreign investors.

Other shares substantially affected include Platinum Group Metal and De Beers mining shares.

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CSO: 3400/266

IMPROVED QUARTERLY PROFITS REPORTED FOR RAND MINES

Johannesburg THE CITIZEN in English 15 Jul 86 p 22

[Text]

**HIGHER** rand gold prices, increased production and well-held costs enable the Rand Minesgold division to post a R13-million improvement in after-tax profits in the June 1986 quarter.

All four group producers, Harmony, Blyvoortzicht, Durban Roodepoort Deep and ERPM, showed lower grades during the quarter, but this was offset by an almost 5 percent increase in tonnage milled, from 3,7-million tons to 3,9 million tons. As a result, their combined gold production rose by 624 kg to 15 105 kg.

The average gold price received by the four mines was R25 805 a kilogram, R1 750 a kg up on the March quarter.

The effects of the higher gold production and rand receipts are reflected in the pre-tax profits, which rose by nearly 23 percent from R90,6-million to R111,2-million.

Although capital expenditure was 14,5 percent higher at R67,8-million, tax increased by R7,5-million to R27,8-million.

Because of the higher tonnage, average units costs for the four mines, tax increased by R7,5 million to R27,8-million.

Because of the higher tonnage, average unit costs of the four mines remained virtually unchanged at R81,23 per ton.

Harmony mine accounted for more than 70 percent of the group's bottom-line profits with gold production rising to 7 309kg (7 184kg).

The higher production and the increase in the gold price to R26 154 (R23 930) brought a rise in gold revenue to R191,2-million (R171,9-million). Uranium revenue was up from R7,2-million (R8,4-million). Total revenue thus increased by more than R20-million to just under R200-million.

Total costs rose to R142,3-million (R130,9-million which left a working profit of R57,3-million (R48,2-million for the March quarter. After Tax profit came out at R61,3-million).

A total of 1 026 kg of the mine's production has been sold forward for the third quarter at R27 147 per kg.

Blyvoor's June quarter gold price was R1 700 at R25 700 per kg, which with higher production, generated a 26 percent increase in gold revenue to R93,1-million (R74,1-million).

Tax amounted to R23,8-million (R14,6-million) leaving after tax profits R4,0-million up at R18,4-million.

Blyvoor paid R4,3-million to Driefontein Cons during the quarter in terms of the tribute agreement.

The mine has sold 547 kg of gold forward for the third quarter this year at R27 029 per kg.

Durban Deep, after a break-even March quarter, was R2-million in the black in the June quarter.

A feature of the mine's performance was its control of costs which rose marginally to R44,2-million (R43,1-million). The costs were more than covered by gold revenue which rose to R48,5-million (44,9-million), leaving a working profit of R4,2-million (R1,9-million). There was no tax charge, giving a total profit, including sundry revenue, of R5,2-million (R3-million).

The mine sold 280kg of

gold forward for the third quarter at R26 336 a kg.

ERPM showed a loss of R1,5-million against a profit of R5-million in the March quarter. Capital expenditure of R16,8-million (R15,1-million) meant that the mine had a R15-million negative cashflow in the quarter.

This reflects the impact of the R300-million Far East Vertical project which is now in full swing and on schedule.

Although an increase in average gold price from R24 679 to 25 530 per kg cushioned the lower production to some extent,

the mine's revenue of R57,1-million (R57,4-million) was not enough to cover costs of R65,7-million (R64-million) and the mine showed a working loss of R8,6-million (R6,6-million).

State assistance of about R9 million was claimed, which with sundry revenue, took pre-tax profit to R1,1 million (R5 million). This profit was however eliminated by a non-mining tax of R2,6 million.

The mine sold 722 kg forward for the second half of 1986 at R28 067 (third quarter) and R30 958 (fourth quarter).

		Tons milled	Yield	Costs	Costs	Rev	Rev	Net Profit	Profit After Capex	EPS After Capex
		000's	G/t	R/ton	\$/oz	\$/oz	R/Kg	R 000's	R 000's	Cents
Blyvoor	June	589	6,15	84,00	190,0	357	25 700	18 402	13 702	57
	March	498	6,20	90,04	209,8	348	23 998	14 471	9 275	39
ERPM	June	684	3,37	98,92	408,8	355	25 530	(1 486)	(18 320)	(165)
	March	658	3,55	97,63	414,0	357	24 679	4 939	(10 126)	(91)
DBN Deep	June	602	3,22	73,47	317,3	348	25 005	5 212	2 014	87
	March	583	3,23	73,85	330,2	345	23 854	3 002	(115)	(5)
Harmony	June	2 076	3,52	68,53	270,6	363	28 154	61 253	18 192	68
	March	2 017	3,58	64,88	263,3	323	23 930	47 876	12 067	45

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CSO: 3400/287

## HIGHER RAND GOLD PRICE BOOSTS RANDFONTEIN PROFITS

Johannesburg THE CITIZEN in English 16 Jul 86 p 22

[Article by Madden Cole]

[Text]

A HIGHER rand gold price boosted the profits of the gold mining companies controlled by the Johannesburg Consolidated Investments group for the quarter ending June, 1986, in spite of increased working costs.

Although Randfontein Estates' milling rate dropped, the higher yield of 4,4 g/t (4,0 g/t) resulted in an increase in gold production to 7 005 kg (6 456 kg).

The higher rand gold price of R22 462 per kg (R21 048) was reflected in the revenue from gold which amounted to R158,5 million (R133,3 million).

Profit before tax accordingly rose significantly from R60,8 million to R76,2 million. Net profit of R76,2 million was hardly affected by the drastically reduced tax

figure of R10 000 (R9,4 million) on account of the sharp increase in capex to R61,6 million (R37,0 million).

At the quarterly report Press conference yesterday chairman and managing director Ken Maxwell announced that Randfontein Estates has discontinued forward selling of its gold production as it is no longer considered necessary for the mine to take forward cover.

Western Areas' working costs were described as unacceptable and management was looking at ways of containing the costs for the coming year, Mr Maxwell said.

The mine had benefited from forward gold cover with the rand price rising to R24 895 per kg (R23 877).

With an increased milling rate and a constant gold yield, production in-

creased to 4 150 kg (4 028 kg) resulting in an improved revenue of R104,5 million (R96,1 million).

The substantial increase in capex, R34,9 million (R16,7 million) accounted for the mine's tax credit of R10,9 million compared with a tax bill of R3,1 million in the previous quarter. Net profit as a result was boosted to R35,7 million from R20,5 million in the previous quarter.

Negotiations for the water control project have been completed and dewatering is now in progress.

According to Mr Maxwell, mechanised mining in both mines will expand considerably in the next few years when several hundred thousand tons a month will be mined by this method.

		Tons							Profit	EPS
		milled	Yield	Costs	Costs	Rev	Rev	Net	After	After
		000's	G/t	R/ton	\$/oz	\$/oz	R/Kg	R 000's	Capex	Capex
Randfontein	June	1 592	4,4	52,50	165,9	312	22 462	76 270	14 610	239
	March	1 614	4,0	47,87	173,0	304	21 048	51 361	14 355	235
W. Areas	June	988	4,2	69,48	296,2	346	24 895	35 729	782	2
	March	959	4,2	84,04	289,1	345	23 877	20 563	3 815	9

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CSO: 3400/287

## ANGLOVAAL'S MINES BEAT HIGHER COSTS

Johannesburg THE CITIZEN in English 16 Jul 86 p 25

[Text]

A WEAKER rand/dollar exchange rate combined with generally firmer international gold prices led to improved rand gold prices received by the Anglovaal Group's four gold mines in the June quarter. This more than compensated for higher costs — brought about mainly by increased wage and salary bills — with the result that working profits from gold were all up on the March quarter.

Other than Loraine, tax charges were sharply lower because of increased capital expenditure, but all mines recorded fair-sized increases in after-tax profits. The after-tax position was: **Hartebeestfontein** R72 461 000 (March: R51 403 000), **Lorraine** R14 232 000 (R7 027 000),

**ETC** R11 557 000 (R6 728 000) and **Village** R1 671 000 (R586 000). The net result was that the mines' total taxed profit was 55 percent higher at R99 921 000 (R65 744 000), while the total tax bill was reduced by 24 percent to R66 215 000 (R86 597 000). Loraine is not paying State's share of profit as it still has an assessed loss for this purpose.

In addition to the forward exchange contracts that were closed out during the March quarter, the mines have now closed out all their fully-hedged positions. The profit from all these transactions has been, and will continue to be, accounted for monthly on the maturity dates of the relevant contracts.

As shareholders were warned in the March quarterly, capital expenditure at Hartebeesfontein was sharply higher at

R36 323 000 (R15 402 000), with R16 152 000 being incurred on work on the new low-grade gold recovery plant; Loraine's figure increased to R3 458 000 (R1 661 000) as momentum built up on the resuscitated capex programme; ETC's was 147 percent up with R4 163 000 of the total being spent on its Princeton development — again as projected in the previous quarter; and Village's rose to R1 858 000 (R113 000) of which R1 402 000 was for new employee housing.

Unit cost increases were generally well contained, especially in view of the wage and salary increases granted from May and June respectively: Hartie's figure was 7,5 percent higher, Loraine's only 1,7 percent, ETC's 14 percent and Village's 10 percent. ETC's increase was affected to a large degree by a lump

sum payment to its pension fund to provide necessary additional benefits for its employees, while Village's figure was adversely affected by a lower tonnage milled.

Lorraine reported a small increase in tonnage milled, but the other mines' totals were down, while grades at all mines were slightly better. The end result was that gold production was increased at Harties and Loraine, but was lower at ETC and Village. Total gold produced therefore rose to 10 762 (10 586) kg.

However, the higher rand gold prices more than offset any negative factors and working profits from gold were higher at all mines: Harties was 5 percent up at R122 465 000, Loraine's was 74 percent higher at R21 945 000, ETC's improved by 13 percent to R12 410 000 and Village's working profit rose by 22 percent to R1 277 000.

		Tons							Net	Profit	EPS
		milled	Yield	Costs	Costs	Rev	Rev	R 000's	After	After	
		000's	G/t	R/ton	\$/oz	\$/oz	R/Kg	R 000's	Capex	Capex	
Hartebeest	June	773	9,8	97,16	136,1	363	26 132	72 461	36 138	32,2	
	March	790	9,5	90,39	137,5	363	25 098	51 403	36 001	32,1	
Village	June	186,6	0,68	11,64	239,8	381	27 381	16,71	(187)	—	
	March	189,5	0,67	10,57	226,2	347	24 021	586	473	7,8	
ET Cons	June	84,3	9,6	109,73	159,3	373	26 827	11 557	1 849	42,8	
	March	89,7	9,5	96,22	147,0	334	23 134	6 728	2 793	64,7	
Lorraine	June	398	5,7	97,33	237,5	372	26 758	14 232	7 027	42,9	
	March	390	5,4	95,72	256,2	343	23 715	10 774	5 366	32,8	

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CSO: 3400/287

GENCOR GOLD MINES INCREASE TOTAL INCOME

Johannesburg THE CITIZEN in English 17 Jul 86 p 21

[Article by Madden Cole]

[Text]

THE total net income of the gold mining companies controlled by the Gencor group increased substantially in the June quarter in spite of a lower rand gold price received by several of the 12 mines.

Total milling rate increased to 5,3 million tons while the average yield dropped slightly to 5,1 g/t (5,2 g/t). Average working costs per ounce moved up to R443,50 (R421,75) and total capex showed a substantial rise to R50,5 million (R30,9 million).

WEST RAND CONS improved its net profit marginally by some R33 000 to R1,7 million in spite of increased working costs, R44,24 per ton milled (R42,75), and a slightly lower yield, 1,9 g/t (2,0 g/t). Mill throughput put however increased to 520 000 tons (510 000 tons).

Affecting the net profit too was the tax credit of R119 000 compared with a tax bill of R119 000 in

the previous quarter, which was partly as a result of the increased capex of R780 000 (R510 000).

The mine has sold forward a portion of its expected gold production to November 1986. Prices range from R24 670 per kg in July to R28 220 per kg in November.

An improved milling rate and a sharp drop in taxation to R10,8 million (R26,3 million) helped to push BUFFELSFONTEIN's net profit up to R65,7 million (R51,5 million).

These factors more than offset a lower grade yield and rand gold price which fell to R24 505 per kg from R24 631 per kg. Capex rose to R10,0 million (R7,6 million).

The replacement of working face at the previously planned rate continues to be restricted by severe faulting in the Strathmore Shaft area. While this situation persists, the production rate will continue to be adversely affected.

An increased milling rate and grade yield

pushed the BEATRIX Division's gold production up to 2 904 kg (2 425 kg). This, combined with a higher rand gold price received, R25 310 per kg (R23 281), resulted in a significant increase in the net profit, R12,9 million compared with R5,5 million in the previous quarter.

BRACKEN's lower milling rate and constant yield resulted in a lower production figure of 764 kg (806 kg) while working costs were higher at R57,56 per ton (52,75). As a result net profit decreased to R2,8 million (R3,0 million).

Tax dropped to R3,6 million (R5,4 million). Capex increased to R256 000 from R148 000 in the previous quarter.

ST HELENA's constant mill throughput the lower yield as a result of the closure of higher grade areas following the seismic event in February, affected gold production which dropped to 2 610 kg (2 842 kg).

Although these negative factors were compounded by higher working costs, the mine still

managed to improve its net profit to R18,6 million (R17,3 million) mainly as a result of an increased gold price of R24 598 per kg (23 834) and a much reduced tax bill of R8,4 million (R17,3 million). Capex which had an effect on tax, rose to R11,2 million (R7,1 million).

In spite of a mixed performance, STILFONTEIN's net profit increased significantly to R10,3 million (R7,0 million).

The milling rate was up but the yield fell marginally and working costs increased. However the improved gold price of R24 363 per kg (R23 450) and a reduced tax bill of R3,6 million (R4,2 million) resulted in the mine's profitable June quarter.

The mine has sold for-

ward a portion of its expected gold production to November this year. Prices range from R25 664 per kg in July to R28 220 per kg in November.

A number of plus factors, a higher milling rate and yield resulted in increased production of 3 462 kg pushed up WIN-KELHAAK's net profit to R23,2 million (R17,5 million) in spite of a lower rand gold price of R23 714 per kg (R24 294).

Profit was also affected by a lower tax bill of R26,7 million (R30,7 million) as a result of a doubling in capex to R10,5 million (R4,1 million).

Lower working costs helped to increase MARIEVALE's net profit to R748 000 (R457 000) although the mine's milling rate dropped and gold

price received fell to R23 248 per kg (R25 029).

Plus factors during the quarter for UNISEL were the higher milling rate production and rand gold price of R24 455 per kg (R23 640). Costs were up as was taxation of R24,3 million. Net profit however increased to R15,8 million (R14,6 million).

With a lower milling rate, production, yield and gold price of R23 903 per kg (R24 392) compounded by increased working costs, Leslie's net profit fell to R2,2 million (R2,6 million). Tax accordingly dropped to R2,1 million (R3,8 million).

Similar fortunes for the June quarter were experienced by KINROSS, which in addition to a lower milling rate and fall

in production, received a gold price of R23 799 (R24 587). Net profit was reduced to R17,0 million (R19,3 million).

A higher milling rate but lower yield resulted in GROOTVLEI's production dropping to 1 367 kg (1 482 kg). Combined with a reduced gold price of R24 027 per kg (R24 338) resulted in a net profit of R4,1 million compared with R6,1 million in the last quarter.

CHEMWES increased the tonnage of pulp treated, but showed a drop in oxide produced, 61,3 tons (62,1t) and a lower yield of 0,110 kg/t (0,114 k/t).

Capex increased to R7 000 (R35 000) giving a net income of R3,8 million (R2,7 million).

		Tons milled	Yield	Costs R/ton	Costs \$/oz	Rev \$/oz	Rev R/Kg	Net R 000's	Profit After Capex R 000's	EPS After Capex Cents
Buffels	June	751	8,1	112,0	195	348	24 505	34 189	24 168	219,7
	March	704	8,6	117,67	194	348	24 631	29 763	22 496	204,5
Stillfontein	June	426	5,3	104,30	273	273	24 363	10 391	8 325	63,7
	March	417	5,4	100,25	267	267	23 450	7 028	5 108	39,1
WR Cons	June	520	1,9	44,24	333	351	24 138	1 733	953	22,4
	March	510	2,0	42,75	319	345	23 520	1 700	1 190	28,0
Grootvlei	June	445	3,1	60,56	278	344	24 027	4 419	2 987	26,1
	March	440	3,4	59,15	245	340	24 338	6 144	3 964	34,7
Marievale	June	88	2,9	60,08	296	343	23 248	748	573	12,7
	March	88	2,9	68,90	318	340	25 029	457	383	8,5
Bracken	June	225	3,4	57,56	243	347	23 486	2 828	2 572	18,4
	March	237	3,4	52,75	207	338	24 914	3 080	2 932	20,9
Kinross	June	525	6,1	67,74	161	345	23 914	3 080	2 932	20,9
	March	535	6,2	61,28	136	337	24 587	19 360	15 331	85,2
Leslie	June	350	2,4	48,51	279	346	23 903	2 257	2 142	13,4
	March	346	2,6	46,72	245	337	24 392	2 632	2 509	15,7
Beatrix	June	511	5,7	78,95	188	342	25 310	12 906	6 906	—
	March	448	5,4	79,82	212	335	23 281	5 511	4 364	—
St Helena	June	580	4,5	71,49	219	341	24 598	18 668	7 516	78,1
	March	580	4,9	64,84	187	337	23 834	17 399	10 288	106,9
Unisel	June	348	6,9	57,97	115	341	24 455	15 828	12 614	45,1
	March	335	7,1	56,55	112	337	23 640	14 644	12 377	44,2
Winkelhaak	June	602	5,8	59,38	148	346	23 714	23 242	12 673	104,0
	March	587	5,6	57,14	140	339	24 294	17 584	13 405	110,0

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CSO: 3400/287

SOUTH AFRICA

FREEGOLD INCREASES GOLD PRODUCTION

Johannesburg THE CITIZEN in English 18 Jul 86 p 21

[Text]

THE group's results for the quarter ended June 30, 1986 of Freegold show an increase in gold production of 1,7 percent to 27 324 kg compared with the previous quarter's production of 26 856 kg. This was attributable to an increase in area mined of 5,8 percent to 1 010 000 square metres (955 000 square metres) and tons milled, from 5 293 000 to 5 594 000 tons.

The rand gold price received strengthened by 0,9 percent to R24 571 per kilogram (R24 351) mainly because of the weakening of the rand against the US dollar, whilst revenue declined by R23,5 million as a result of the timing of gold despatches. The Group's profit after taxation was reduced to R172,3 million (R189,8 million) while capital expenditure decreased to R108,3 million (R112,2 million).

Freegold's North Region showed an increase

in gold production to 13 933 kg (13 919 kg). This is largely the result of an increase in area mined which rose by 5,4 percent to 568 000 square metres (539 000 square metres). This more than compensated for the reduction in grade from 5,23 grams per ton to 5,10 grams per ton. Capital expenditure decreased by 17,0 percent to R22,9 million (27,6 million) together with a decline in profit to R111,9 million (R150,3 million).

The South Region showed an increase in production of 3,5 percent to 13 391 kg (12 937 kg) for the quarter. As with the North Region, this was the result of an increase in area mined of 6,2 percent to 442 000 square metres (416 000 square metres). Grade, however, declined to 4,68 grams per ton (4,91 g/t) reflecting the increase in marginal ore being mined in the light of an improved gold price.

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## SOUTH AFRICA

### TRANSVAAL GOLD MINES PROFITS UP SLIGHTLY

Johannesburg THE CITIZEN in English 18 Jul 86 p 21

[Text]

THE Transvaal gold mines administered by the AAC showed a slight improvement in available profit to R205,8 million (R204,6 million) in spite of a 2% drop in gold price received at R24 607 per kg. Provision for taxation fell 277% to R193,3 million as a result of the lower pre-tax profit and the higher capital expenditure which increased by R13,2 million to R157,9 million.

Operations were generally satisfactory with total area mined increasing by 8% to 845 000 square metres and tons milled increasing by 2% to 4 739 000 tons. Grade, however, fell by 0,14 g/t to 6,7 g/t resulting in gold output dropping marginally to 33 048 kg. Although total working costs increased by 4,6% as a result of the increased mining activity and escalation, unit costs in rands per square metre fell by 2,8% to R421,50. Costs in rand per ton milled increased by R1,80 to R75,20.

The increase in Vaal Reef's available profit by R16,7 million to R102,3 million was as a result of a 31 percent drop in provision for tax to R116,2 million and an anticipated doubling in capital expenditure to R61,9 million.

Included in the profit for the quarter is the dividend from Southvaal of R24,7 million and an increase of R20,1 million in uranium profit to R41,9 million.

Area mined increased by 6 percent to 557 000 sq metres but a slight drop in tons milled and grade resulted in a drop of 275 kg of gold produced to 20 761 kg. Total working costs increased by 4 percent.

South Lease Area increased area mined by 9 percent to 203 000 sq metres and with increased milling pushed gold production up by 222 kg to 10 184 kg.

Afrikaner Lease Areas increased its gold production by 9 percent to 292 kgs as a result of an increase in tons milled and

a slightly improved grade. To take advantage of the higher than forecast gold price, the mine spent R1,3 million on capex.

Western Deep Levels' available profit increased by R11,6 million to R41,9-million as a result of a R23,7 million drop in provision for taxation to R27,3 million. Capex increased by 6 percent to R69,4 million.

Area mined increased by 16 percent to 192 sq metres, but recovered grade dropped by 9,6 percent as a result of lower grades of dump material treated at No 3 plant and normal lock-up of gold in the new No 1 plant. This absorption is expected to continue at a diminished rate in the next quarter. Gold production consequently fell 3 percent to 9 203 kgs.

Elandsrand had a satisfactory quarter with available profit increasing by 17 percent to R30,7 million. With an 9 percent increase in the milling rate and improved grade, gold production increased by 13 percent to 3 084 kg.

Ergo's available profit increased by R1,4 million to R8,7 million largely as a result of a drop in capital expenditure from R35,4 million to R9,5 million.

In spite of a 13 percent higher slimes treatment rate at 5,4 million tons, gold production at Ergo Division dropped by 231 kg to 1 595 kg as a result of anticipated lower head grades and an increase in gold-in-process inventory. Operations at Simmergo division were satisfactory with gold production increasing by 17 percent to 494 kg.

		Tons milled	Yield 000's	Costs R/ton	Costs \$/oz	Rev R 000's	Rev R/Kg	Net R 000's	Profit R 000's	EPS After Capex
Vaal Reefs	June	2 881	7,21	76,43	—	342	24 661	165 542	102 122	537
	March	2 908	7,23	72,49	146	353	26 282	112 308	85 591	450
W Deep	June	1 359	6,77	74,62	153	341	24 598	104 934	41 867	154
	March	1 270	7,49	78,48	149	344	24 460	90 285	30 236	118
Elands	June	499	6,18	69,29	158	344	24 687	42 975	30 693	32
	March	462	5,90	70,65	175	346	24 790	38 607	26 180	27
SA Land	June	632	0,71	6,61	—	341	24 073	1 238	1 378	15
	March	646	0,68	6,80	189	341	24 179	419	1 388	15

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CSO: 3400/287

SOUTH AFRICA

COPPER, ZINC PRODUCER IMPROVES QUARTERLY RESULTS

Johannesburg THE CITIZEN in English 16 Jul 86 p 25

[Text]

THE copper/zinc producer, PRIESTKA, improved its quarterly results; despite lower despatches, improved sales prices and the weaker rand/dollar exchange rate caused operating profit to jump to R9 912 000 (R1 768 000).

Zinc sales to a major consumer were suspended during the March quarter following a dispute which is being taken to arbitration. However, during the quarter — and pending the outcome of these proceedings — interim sales arrangements were negotiated.

Ore milled was considerably higher, the March figure being lower because of the reclamation and treatment of additional payable ore from old stoping areas — which has enabled the mine to extend its life but which leads to fluctuations in mill throughput. Copper head grades were higher, but the zinc average de-

creased, leading to higher copper concentrate production, but a lower figure for zinc.

After adding non-mining income to operating profit, and deducting taxation and a stores adjustment, the after-tax profit was lifted to R6 275 000 (R1 703 000).

**CONSOLIDATED**  
MURCHISON's results show that although net income from antimony concentrate sales was lower, this was more than made up by improved gold sales revenue.

Working costs were little changed, but prospecting expenditure increased by R243 000 and the pre-tax profit was R18 000 lower. However, sharply increased capital expenditure led to a tax credit, as opposed to the tax charge in the March quarter, with the result that after-tax profit rose by R2 530 000 to R3 987 000.

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CSO: 3400/287

**TWISTDRAAI COLLIERY FIRST WORLDWIDE TO PRODUCE OVER 1 MILLION TONS**

Johannesburg THE CITIZEN in English 9 Jul 86 p 27

**[Text]** SASOL's Twistsdraai colliery at Secunda became the first single shaft underground colliery in the world to produce more than one-million tons of coal in a production month.

This mine, one of Sasol's four mines servicing Sasol Two and Three, achieved this in the period May 26 to June 28. With this achievement Twistsdraai surpassed the previous record held by Sasol's Brandspruit mine by 100 000 tons.

During this production month Twistsdraai produced an unbelievable amount of 30 tons of coal a minute.

If one stacked the produced coal on a rugby field from post to post and from touch line to touch line it would form a block nearly the height of the Carlton Centre. It would also be enough coal to fill a 38 km long tunnel of 3 m high and 6 m wide.

Three mining methods

are used at Twistsdraai: conventional board and pillar, longwall and rib pillar extraction. The mine also has a 240 m wide longwall face, the widest continuous longwall face in South Africa.

The fact that Twistsdraai has only been in operation for five years makes the achievement that much more remarkable. About 8 million tons of coal was produced over the past 12 months, an average of 666 000 tons a month. This makes Twistsdraai the second biggest colliery in the world after Sasol's Brandspruit colliery. Sasol's colliery complex in Secunda is the world's largest underground colliery complex producing about 30 million tons of coal a year.

Mine manager Koos Coetze says this achievement is a result of excellent teamwork as well as an awareness of the importance of quality.

The mine also has a fine safety record.

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END